# Herald INTERNATIONAL Tribune

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TODAY: LEISURE The New York Times Square, Page 10

Riot police firing tear gas and rubber bullets wounded 50 protesting sugar workers in Jujuy Province.

## Rioting Over Jobs Shakes Argentina

By Calvin Sims
*New York Times Service*

BUENOS AIRES — Driven by discontent over high unemployment and declining living standards, violent protests have erupted across Argentina. Riot police have clashed with tens of thousands of people blocking roads, bridges and government buildings.

The target of the uprisings this month, and of major clashes Tuesday and Wednesday, is the government's economic reforms, which have brought relative financial stability to a country once plagued by hyperinflation. But they have also produced record unemployment, as inefficient state industries were sold off and the number of state employees drastically reduced.

In the poor northwestern province of Jujuy, at least 50 people were hurt in clashes with the police Tuesday and Wednesday. Television footage showed border police using tear gas and rubber bullets to disperse crowds. Workers fought back by throwing rocks at the security forces. The border

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## A Trans-Atlantic Air Battle

### *EU Lists Objections to Boeing-McDonnell Pact*

By Tom Buerkle
*International Herald Tribune*

BRUSSELS — The stakes surrounding Boeing Co.'s planned acquisition of McDonnell Douglas Corp. rose dramatically Thursday after the European Union's antitrust chief gave the companies a lengthy list of objections to the transaction and threatened to reject it unless Boeing made major changes.

The EU move, and an immediate promise by Boeing to contest the case vigorously, raised the potential for the biggest trans-Atlantic trade dispute in years just days before President Bill Clinton is due to meet with leaders of the EU in The Hague to promote closer economic and political ties between the United States and the 15-nation Union.

The statement of objections issued by the European Commission late Wednesday was not made public, but officials at the EU's executive agency said it focused on three core issues: Boeing's dominant share of more than 60 percent of the global aircraft market, including its monopoly on the 747 jumbo jet; its exclusive long-term contracts with American Airlines and Delta Air Lines; and the fear that McDonnell's huge defense business will effectively subsidize further gains by Boeing on the commercial jet market.

Commission officials said Boeing had until July to propose remedies to the antitrust concerns, and they insisted they had the will and the weapons to oppose the deal if Boeing resisted.

The officials, who spoke on condition of anonymity, said EU regulations would permit the commission to fine Boeing as much as 10 percent of the combined companies' sales, or nearly $5 billion, if it refused to comply. They said the commission also could make it illegal for Boeing to do business in the EU.

Technically, those measures would not prevent Boeing from completing the acquisition, but they could effectively shut Boeing out of the European market. Sources close to Boeing conceded that those measures would cripple the company's ability to operate in an area that represented roughly one-third of the world market.

In Seattle, Boeing vowed to press its case and expressed confidence it would obtain approval in the end. It insisted that the proposed acquisition would not significantly affect the two-horse race in civil aviation between itself and Europe's Airbus Industrie and contended that, in any event, U.S. antitrust regulators at the Federal Trade Commission should take the lead in the case.

"The fact is, McDonnell Douglas's market share has continued to decline in recent years, and Airbus has become a stronger competitor," Philip Condit, Boeing's chief executive, said.

Boeing will have a chance to present its case at closed-door hearings in Brussels on June 12 and 13, along with Airbus and major airlines. But the number and seriousness of the commission's complaints indicated that Karel van Miert, the EU commissioner for competition, would not be content with minor

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## U.S. Will Punish 3 Firms In Asia Over Iran Arms

### *2 Companies in China and One in Hong Kong*

By Brian Knowlton
*International Herald Tribune*

WASHINGTON — The United States said Thursday that it would punish two companies in China and one in Hong Kong for selling chemical weapons technology to Iran.

In announcing a ban on U.S. government trade with the companies for at least a year, Secretary of State Madeleine Albright took pains to say there was no clear indication that the Chinese or Hong Kong governments had been involved.

The U.S. move appeared to be a way of getting tough on the Chinese — if not the government in Beijing — for much-criticized arms and technology transfers just as the debate over renewing China's favored trade status has increased congressional pressure for administration firmness toward Beijing.

The United States has repeatedly raised with China its concerns about Iranian attempts to develop chemical weaponry. Asked about this Thursday, a State Department spokesman would not say whether officials in Beijing could have been unaware, despite the U.S. entreaties, of the activities of the companies being sanctioned.

"I would hope the Chinese government would now take steps parallel to ours," said the spokesman, who asked not to be identified. "We've already made some progress with the Chinese on this."

President Bill Clinton announced Monday that he intended to seek a one-year renewal of most-favored-nation status for China.

Chinese markets slide after crackdown • Wild West investing popular in Hong Kong. Page 13.

Speaking to a Senate appropriations subcommittee, Mrs. Albright also described a new U.S. determination to ensure that the terms of the Dayton accords on Bosnia are implemented.

With the Clinton administration committed to withdraw troops in June 1998, she said that the NATO-led force would expand its scope, while remaining chiefly focused on its military duties.

Nonmilitary tasks, she added, would include "helping to create a secure environment for managed refugee returns and the installation of elected officials

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## *Storm Signs in Indonesian Race*

### Election Violence and Islam's Appeal Mirror Discontent

By Michael Richardson
*International Herald Tribune*

JAKARTA — The growing influence of Islam in Indonesian politics and the sharp increase in mob violence leading up to the election Thursday are threatening to mar the overwhelming victory expected by the government of President Suharto.

As the governing Golkar party and two rival parties prepared for the last officially sanctioned day of campaigning Friday, when a five-day cool-

**NEWS ANALYSIS**

ing off period was to be declared before the voting, Indonesians and foreigners alike were alarmed at the excesses of what the government had said would be a "festival of democracy."

Analysts say that the lawlessness and the emergence of the Muslim-oriented United Development Party as a lighting rod for popular grievances have increased the likelihood of political instability over the next few years as various groups vie to influence the succession to Mr. Suharto, who is 75. The grievances included alleged official corruption and abuse of power.

Some analysts say the armed forces, which have a political role in Indonesia — to safeguard national unity and stability — could intervene in a crisis, especially if they saw any Muslim challenge to the secular state.

More than 80 percent of the 200 million population profess adherence to Islam, which has been undergoing a revival in recent years in reaction to the wave of economic development sweeping over Indonesia.

Although official figures show that 14 percent of the population lives below the poverty line, compared with 60 percent when Mr. Suharto took power in 1967, there is widespread resentment at what many Indonesians see as collusion between government and big business in land acquisition and other lucrative development policies, and the still-vast gap between rich and poor.

Amien Rais, head of Muhammadiyah, Indonesia's second-largest Islamic welfare organization, said the increased appeal of the United Development Party was a measure of the people's frustrations with Golkar.

"Islam is being used as a symbol of protest," he said, adding that the party's rise was not a religious revival but a "manifestation of the growing gap between rich and poor."

Leaders of the United Development Party insist they do not advocate a theocratic state, but their close

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Supporters of Megawati Sukarnoputri giving the sign of her party in Jakarta on Thursday.

## *2 Sides of the Same Coin Vie for Iran's Presidency*

By John Lancaster
*Washington Post Service*

TEHRAN — Both are turbaned clerics with well-groomed beards, strong revolutionary credentials and scant affection for the West. Each describes himself as the natural political heir of Hashemi Rafsanjani, the popular outgoing president of Iran. Both are 54.

But there are important differences between Akbar Nateq Nouri and Mohammed Khatemi, the undisputed frontrunners in the four-way presidential election Friday, the seventh and most competitive since Islamic revolutionaries toppled the pro-American monarchy in 1979.

Mr. Nouri, speaker of the Parliament of Iran, is an arch conservative who last year described the United States as a "blood sucking wolf" and recently was forced to deny rumors that he would require schoolgirls to wear the tent-like black robe known as the *chador*.

Mr. Khatemi, a scholar and educator who heads the national library, lost his job as Iran's minister of culture and Islamic guidance several years ago because he was seen as too permissive.

Although Mr. Nouri was once seen as a shoe-in, given his close ties to Iran's all-powerful religious establishment, the race has tightened in recent weeks, generating excitement among Iranians fed up with the failure of their clerical leaders to root out corruption and deliver on promises of jobs and prosperity.

While a victory by Mr. Khatemi would be unlikely to temper Iranian hostility toward the West, it almost certainly would usher in an era of greater political pluralism and social and cultural freedom, according to foreign diplomats and Iranian political analysts.

"If Khatemi wins, things will become more interesting, partly because he is known to be more open-minded and partly because it will be seen as evidence that the system hasn't got everything its own way," said a Western diplomat in Tehran.

The race has been a rough-and-tumble one, featuring widespread vandalism of campaign posters and a hearty dose of negative campaigning, especially in the camp of Mr. Nouri, which accuses of Mr. Khatemi of being a "liberal" who secretly wants warmer relations with the United States.

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## Swiss Reject 'Nazi Gold' Report by U.S. as One-Sided

By Alan Cowell
*New York Times Service*

BERN — Two weeks after the Clinton administration accused Switzerland of prolonging World War II by acting as a banker to Nazi Germany, the authorities here tartly rejected the accusation Thursday as "unsupported" and termed Washington's assessment "one-sided."

The Swiss statement, read by Foreign Minister Flavio Cotti, reflected an increasingly prickly sense of embattlement since the publication May 7 of a 200-page U.S. report.

It was compiled with the help of 11 government agencies under the direction of Stuart Eizenstat, who was appointed by President Bill Clinton last year to investigate what had become known as the "Nazi gold" affair.

The report, the most definitive U.S. government account of wartime dealings between Germany and neutral countries, chronicled Switzerland's purchases of gold from Hitler and the postwar refusal of Swiss commercial banks to offer access to deposits made by European Jews who later died in the Holocaust.

The report, which stunned many Swiss, seemed all the more damning to them since it followed what are viewed here as efforts to atone, if belatedly, for wartime behavior.

While it went further than before in acknowledging what it termed errors, the Swiss government statement on Thursday took particular issue with the foreword to the Eizenstat report, saying that it reflected political and moral judgments that went beyond the historical evidence. The statement said the Swiss government "regards the representation of Switzerland as the bankers to the Nazis as a one-sided, blanket judgment."

"It is suggested in the foreword that the neutral countries may have prolonged the Third Reich's ability to wage war by trading with it," the Swiss statement continued. "At least based on the report's contents this comment must be referred to as unsupported."

Months of criticism of the Swiss re-

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**The Dollar**

| New York | Thursday @ 4 P.M. | previous close |
|---|---|---|
| DM | 1.6945 | 1.694 |
| Pound | 1.6249 | 1.6447 |
| Yen | 116.15 | 114.345 |
| FF | 5.7072 | 5.7055 |

**The Dow**

| | Thursday close | previous close |
|---|---|---|
| -32.56 | 7258.13 | 7290.69 |

**S&P 500**

| change | Thursday @ 4 P.M. | previous close |
|---|---|---|
| -3.73 | 835.66 | 839.39 |

**Newsstand Prices**

| | | | |
|---|---|---|---|
| Andorra | 10.00 FF | Lebanon | LL 3,000 |
| Antilles | 12.50 FF | Morocco | 16 Dh |
| Cameroon | 1,600 CFA | Qatar | 10.00 Rials |
| Egypt | £E 5.50 | Réunion | 12.50 FF |
| France | 10.00 FF | Saudi Arabia | 10.00 R. |
| Gabon | 1100 CFA | Senegal | 1,100 CFA |
| Italy | 2,800 Lire | Spain | 225 PTAS |
| Ivory Coast | 1,250 CFA | Tunisie | 1,250 Din |
| Jordan | 1,250 JD | U.A.E. | 10.00 Dirh |
| Kuwait | 700 Fils | U.S. Mil. (Eur.) | $1.20 |

AT&T

## Yeltsin Berates and Fires Top 2 Defense Officials

By Lee Hockstader
*Washington Post Service*

MOSCOW — Angered over the inability of the military to reform Russia's disintegrating armed forces, President Boris Yeltsin on Thursday fired his defense minister and the chief of his general staff and issued a blistering attack on the entire military high command.

"I am not just dissatisfied, I am indignant over the state of reforms in the army and the general state of the armed forces," Mr. Yeltsin said.

The dismissal of Defense Minister Igor Rodionov — the second defense minister Mr. Yeltsin has removed in 10 months — and Viktor Samsanov, head of the general staff, is a further blow to the morale of the armed forces, which are underpaid, underfed and, as they proved in a humiliating performance in Chechnya, largely unfit for battle.

In broadening his criticism to include the corps of elite generals whom Mr. Yeltsin said "grow fatter" as "soldiers get thinner," the president signaled that a drastic reorganization of the high command, and severe cuts in the 1.5-million-strong military, may be imminent.

Mr. Yeltsin chose an extraordinarily theatrical forum to launch his attack: a televised meeting of his defense council with top military and security officials in attendance. Mr. Rodionov, a retired general who only a year ago was seen as a champion of reform, sat with his head bowed and stared at the table, only occasionally daring to glance up. When he was addressed he jumped to attention, then sat down again resignedly.

"You have forgotten that in a civilized state the armed forces ensure the nation's defense from military danger, global threat and local conflicts," Mr. Yeltsin thundered. "The army must

See RUSSIA, Page 5

## AGENDA

### Kabila's Forces Take Control Of Congo's Only Seaport

KINSHASA, Congo (Reuters) — Laurent Kabila's forces seized control of Congo's only seaport, Matadi on the Atlantic coast, state television said Thursday.

It said that Matadi, near the border with Angola, fell without resistance but did not say when.

Mr. Kabila was weighing what role, if any, Etienne Tshisekedi would play in his government. Mr. Tshisekedi, long an opponent of the ousted Mobutu Sese Seko, aspires to be Mr. Kabila's prime minister.

Mr. Kabila cannot afford to alienate Mr. Tshisekedi's backers, who are capable of shutting down Kinshasa. But it was also thought unlikely that Mr. Kabila would give a powerful position to a man with little respect on the international scene, who is prone to rash actions and who has shown little inclination to compromise. Page 6.


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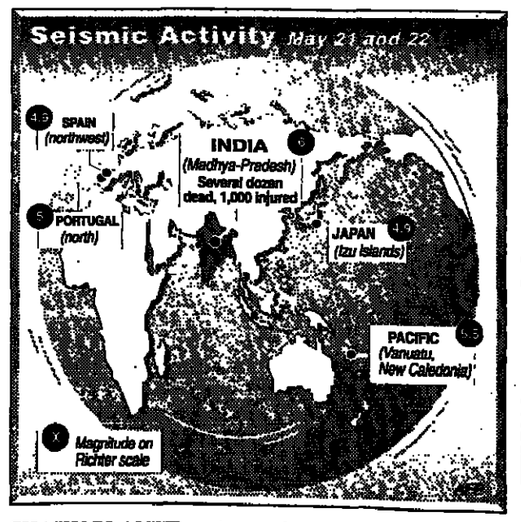


SHAKY PLANET — An earthquake in central India, one of many sizable tremors globally, killed 38. Page 2.

*Cooks, Kooks and Politicos* / **15 Years on the Air**

# *A Defender of Canadian Culture Moves On*

By Anthony DePalma
*New York Times Service*

TORONTO — At last count he has done some 27,000 interviews, though he would be the first to admit that after all the rhubarb recipes ("Is there a way to make it less stringy?"), Celtic musicians and Quebec separatists he has introduced, 27,000 sometimes seems too low.

For 15 years the busy interviewer, Peter Gzowski (pronounced ZAH-ski), has been the host of a three-hour daily radio program called "Morningside" that is heard by more than 1.5 million people from coast to coast on the Canadian Broadcasting Corp.

There is even an hour of highlights re-broadcast every night, making his old plaid bathrobe of a voice far more familiar, and probably more comforting, than any prime minister's or other public official's.

With so much exposure, it is no wonder that Canada has been down with a bad case of national anxiety since Mr. Gzowski announced last fall that he would leave "Morningside" at the end of this month.

The show, which features not just cooks and kooks but also political panels, economic discussions and long talks about serious issues like family values and Canadian peacekeepers for the United Nations, will be replaced by a program that is being developed.

"I miss him already," Beth Kaplan wrote in an essay in The Globe and Mail in February, months before Mr. Gzowski would do his last program. "How can this country survive in the morning if Peter Gzowski vanishes for good?"

In a country forever in search of its own voice, Mr. Gzowski has become a stand-in for Canada, as curious as he is courteous, interested in hockey heroes and indigenous customs and all the forgotten chapters of a national history and culture that he constantly challenges his listeners to cherish and defend.

"When I say this, it is not in the spirit of anti-Americanism," Mr. Gzowski said in an interview in the downtown Toronto studio where he broadcasts "Morningside." "But we live next door to the cultural monolith and it washes over us every day and in every way. And the more globalized the world gets, the more precarious our culture gets."

It is a culture he feels is as vivid and sprawling as the Canadian landscape itself, if sometimes just as hard to reach. Mr. Gzowski is 62 and remembers how as a child in southern Ontario he did not hear Canadian voices on the radio or read Canadian voices in books.

About 40 years ago, after dropping out of the University of Toronto, he went in search of those voices, landing a job as city editor of The Moose Jaw Times-Herald in Moose Jaw, Saskatchewan.

There he "felt the wrath of prairie thunder and, in its aftermath, smelled the fresh earth and heard the meadowlark sing," he wrote in his latest monthly column in Canadian Living magazine. Out west he also brushed up against the values that separate Canadians from many Americans, mostly based on the need to act collectively to survive a harsh climate and vast empty spaces.

He said the publicly supported CBC was founded on that same shared spirit, and he has spent most of his career there. When he received a Peabody Award this month in recognition of his work, it was the first time a Canadian working in Canada had been so honored.

Kevin Argue/The New York Times

*Peter Gzowski communing with his vast audience. 'We live next door to the cultural monolith and it washes over us every day and in every way.'*

MR. GZOWSKI'S style gives "Morningside" its wide comfort zone. He stutters often, and trips up on his questions the way, well, most people do. His smoker's voice sounds rumpled, which is the way he looks, dressed in bulky sweater, suede loafers and shapeless pants.

Listeners find "Morningside" reassuringly Canadian, a phenomenon in these days of shock radio and talk-show bombast. The program runs from 9 to noon, when the audience includes a mix of farmers, fishermen and home workers, including homemakers and crafts people.

"If I had wanted to change the face of Canadian crafts, I could have said, 'O.K., everybody, today we're working in green,' and every potter in the country would have said 'Yes, Peter,' 'cause they all had 'Morningside' on," he said.

Mr. Gzowski's guests are unfailingly polite, and blessed with so much time that neither they nor their host ever feels much pressure.

He has interviewed former Prime Minister Pierre Trudeau, the writer Margaret Atwood, the film producer Norman Jewison and many lesser-known characters, like Clarence Asham, a Winnipeg savant who can instantly replay on his accordion any music he hears. Mr. Gzowski has interviewed him twice.

"Time is one of the real luxuries," he said.

But the folksy image of the program annoys some people, and even more offensive to them is the idea that somehow it holds Canada together.

"If 'Morningside,' which is listened to by less than 15 percent of the entire nation each day, is all the glue we've got, we might as well be trying to bind the Titanic with Bondfast," Geoff Pevere and Greig Dymond wrote in "Mondo Canuck," a 1996 book.

But there is something about "Morningside" that resonates in many Canadians. During the disastrous Red River flood in Manitoba last month, Mr. Gzowski and his staff organized a fund-raiser that they called the Red River Rally, with performances by dozens of Canadian artists. They raised almost $2 million.

Mr. Gzowski said he would like to write a book when he leaves "Morningside," but beyond that he has not decided what to do. But he is certain that even after 27,000 interviews, there are plenty more interesting Canadians out there to talk to.

"Some days I get up and think, My God, I must have talked to everybody. And then the next day I come in and there's someone I never heard of," Mr. Gzowski said. "And he gives me a mind-boggling interview, just filled with breathtaking wisdom and pleasure and challenge, and I didn't know that guy existed."

# White House Demands Release of Palestinian

## *Journalist Arrested On Arafat's Orders*

*Reuters*

WASHINGTON — The Palestinian Authority should immediately release Daoud Kuttab, a Palestinian-American journalist detained on Yasser Arafat's orders, Michael McCurry, White House press secretary, said Thursday.

"It's our understanding that Mr. Kuttab has not been charged with any infractions, and we are very concerned about the implications of his detention both for the rule of law and for freedom of the press," Mr. McCurry said.

"We believe the Palestinian Authority should release him immediately," Mr. McCurry said.

Washington has raised the matter with senior members of the Palestinian Authority but not directly with Yasser Arafat, the Palestinian leader, who is traveling, Mr. McCurry said.

Mr. Kuttab was honored last fall by the international Committee to Protect Journalists for battling Israeli and Palestinian press restrictions.

Prior to Palestinian autonomy, Mr. Kuttab frequently was arrested and threatened by Israeli authorities.

The U.S. consul-general in Jerusalem planned to try to see Mr. Kuttab, according to Mr. McCurry.

On Wednesday, Ahmed Korei, speaker of the Palestinian Legislative Council, announced to legislators Mr. Kuttab's detention by police and said the council would demand an explanation.

Mr. Kuttab's brother said Wednesday that Mr. Kuttab was summoned to Ramallah by Palestinian police.

The journalist, who lives in East Jerusalem, went to the Ramallah self-rule enclave in the West Bank and was detained. The brother said the detention was apparently related to a dispute between Mr. Kuttab, who has a private contract to carry live broadcasts of Palestinian Legislative Council sessions, and Palestinian state-run television.

Feras Amleh, chief of police in Ramallah, told journalists that Mr. Kuttab had been detained on Mr. Arafat's orders.

Reuters

**Mr. Kuttub, persecuted first by Israel, now by the Palestinians.**

## U.S. Envoy to Israel Is Being Replaced

*Agence France-Presse*

WASHINGTON — The U.S. ambassador to Israel, Martin Indyk, will soon leave his post, but his departure does not stem from the stalled Middle East peace process, the White House announced Thursday.

The White House spokesman, Michael McCurry, said Mr. Indyk was being replaced in "a natural cycle of change," but declined to confirm that his successor would be the ambassador to Italy, Reginald Bartholomew.

Mr. McCurry stressed that Mr. Indyk had been a "very effective representative." He also rejected suggestions that the envoy was leaving because the peace process had broken down.

Palestinian officials have stepped up criticisms of U.S. representatives involved in the peace talks, particularly Dennis Ross, the special envoy, accusing them of a bias toward Israel.

Mr. McCurry also declined to comment on speculation that Mr. Indyk will be named undersecretary of state for Near Eastern affairs.

# Earthquake Kills 38 in India As Seismic Events Dot Globe

*Compiled by Our Staff From Dispatches*

KOSAMGHAT, India — At least 38 people were killed and about were 1,000 injured when an earthquake struck central India, flattening houses and burying many victims as they slept, officials said.

The quake was one of several sizable seismic events occurring around the world Thursday.

The upheaval in India, which measured 6.0 on the Richter scale and lasted about 50 seconds, hit Madhya Pradesh state in the heart of the subcontinent at 4:22 A.M., authorities in Jabalpur said.

Officials said they did not expect the death toll to rise significantly but cautioned that rescuers, more than 12 hours after the quake, had not yet reached many remote villages where additional victims might be. The United News of India press agency said military forces had been asked to help with rescue and relief work.

The event devastated Kosamghat, a village at the quake's epicenter about 23 kilometers (14 miles) south of Jabalpur.

The village's 160 houses, mostly mud huts, were flattened, leaving about 1,100 citizens homeless, according to Mohan Lal Yadav, a village elder.

Villagers said casualties would have been worse had so many people not been sleeping outside because of hot weather.

Meanwhile, Vanuatu and New Caledonia escaped without casualties or damage Thursday from an earthquake measuring 6.5 on the Richter scale. And a moderately strong quake shook southwestern Mexico. There were no immediate reports of casualties, Mexican officials said, but the earthquake, which measured 5.9 on the Richter scale, caused some minor damage.

Moreover, a small quake struck the Spanish northwestern region of Galicia early Thursday with a maximum intensity of 4.9 on the Richter scale, local police said. Despite being one of the strongest tremors to hit Spain in 1[illegible] years, it caused only moderate damage.

Seismic events were also reported in northern Portugal and in Japan's Izu islands. *(Reuters, AFP, AP)*

## Corrections

• A first-quarter loss by the European Bank for Reconstruction and Development, noted in a Bloomberg News article in the May 22 edition, was due to an increase in loan loss provisions and not to administrative expenses, as reported.

• News agency reports, cited in an article in the May 13 issue, on the relief efforts mounted by the International Committee of the Red Cross to aid the earthquake victims in Iran, were incorrect. The relief efforts were coordinated by the International Federation of Red Cross and Red Crescent Societies.

## TRAVEL UPDATE

### Air France Strike Strands Some Travelers

PARIS (AP) — A pilots' strike at Air France left passengers on some short- and medium-haul flights stranded Thursday, though the troubled state-owned airline said its long distance flights were unaffected.

At least 30 percent of Air France's short- and mid-range flights out of Roissy-Charles de Gaulle Airport near Paris were canceled, as well as half the airline's flights out of Orly Airport, an airline spokesman said.

The pilots' unions staging the four-day strike, which is set to end Friday, threatened Wednesday to expand their walkouts to include Air France's long-haul schedule.

**Airlines should be required to carry defibrillators**, the electric shock paddles that can revive victims of cardiac arrest, according to testimony before Congress. American Airlines announced last autumn it would add defibrillators to its international flights; the equipment is already carried aboard some non-U.S. airlines, including Qantas and Virgin Atlantic. *(AP)*

**Mozambique's international airport** in Maputo may have to close at night unless thieves can be stopped from stealing runway lights, said the airport director, Felismino Charas. *(Reuters)*

## Athenians Choke From Heat and Air Pollution

*The Associated Press*

ATHENS — People were warned to stay off the streets Thursday as temperatures soared to their highest level in nearly a decade and air pollution rose toward dangerous limits.

National emergency services, including the capital's ambulance authority, also warned the elderly and people with cardiac and respiratory problems to avoid exerting themselves outdoors.

The mercury rose to 37 degrees centigrade (99 Fahrenheit).

Nitrogen dioxide, emitted mostly by cars, approached danger levels in central Athens.

If danger levels are exceeded, such emergency measures as traffic bans can take effect.

It was the highest recorded temperature for May since 1988, said the National Meteorological Service.

## WEATHER

Forecast for Friday through Sunday, as provided by AccuWeather.

Jetstream · Unseasonably Cold · Unseasonably Mild · Heavy Rain · Heavy Snow

**North America**
A frontal system will move from the Plains Friday to the Great Lakes and Midwest Saturday and into the East Sunday. Showers and thunderstorms will accompany this system. Warm in the southern Rockies and southern Plains, while cooler air will move into the northern Rockies this weekend.

**Europe**
Showery and cool in London and Paris Friday. Then turning drier and milder this weekend. Madrid and Rome will be warm with at least partial sunshine each day. Cool in Berlin and Warsaw with showers possible through Saturday; turning drier Sunday. Chilly across Scandinavia.

**Asia**
Tokyo and Beijing will enjoy a gradual warming trend into this weekend with at least some sun each day. On the other hand, both Koreas, including Seoul, and Manchuria will be cool and unsettled. Very warm and sticky in Hong Kong and Singapore with a thundershower around late each day.

**Europe**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Algarve | 23/73 | 13/55 pc | 24/75 | 14/57 s |
| Amsterdam | 14/57 | 7/44 pc | 13/55 | 5/41 pc |
| Ankara | 27/80 | 9/48 s | 28/82 | 10/50 pc |
| Athens | 30/86 | 19/66 s | 28/82 | 15/61 pc |
| Barcelona | 19/66 | 14/57 pc | 22/71 | 15/59 s |
| Belgrade | 27/80 | 10/50 pc | 24/75 | 11/52 pc |
| Berlin | 14/57 | 4/39 r | 13/55 | 3/37 pc |
| Brussels | 18/61 | 8/46 c | 18/61 | 8/46 c |
| Budapest | 17/62 | 9/48 r | 19/64 | 10/50 sh |
| Copenhagen | 11/52 | 3/35 pc | 11/52 | 1/34 pc |
| Costa Del Sol | 27/80 | 15/59 s | 27/80 | 17/62 pc |
| Dublin | 13/55 | 7/44 sh | 14/57 | 9/48 c |
| Edinburgh | 11/52 | 1/34 pc | 11/52 | 3/37 pc |
| Florence | 25/77 | 12/53 pc | 26/79 | 14/57 s |
| Frankfurt | 16/61 | 6/43 r | 14/57 | 3/37 pc |
| Geneva | 16/61 | 7/44 r | 20/68 | 11/52 c |
| Helsinki | 8/46 | 1/34 c | 9/48 | -3/27 pc |
| Istanbul | 31/88 | 18/64 s | 27/80 | 15/59 pc |
| Kiev | 22/71 | 14/57 pc | 21/70 | 11/52 r |
| Las Palmas | 23/73 | 17/62 s | 23/73 | 17/62 s |
| Lisbon | 21/70 | 14/57 pc | 22/71 | 14/57 c |
| London | 15/59 | 12/53 sh | 14/57 | 9/48 sh |
| Madrid | 26/79 | 11/52 pc | 30/86 | 12/53 s |
| Mallorca | 18/64 | 10/61 pc | 21/70 | 16/61 s |
| Milan | 24/75 | 12/53 pc | 25/77 | 14/57 pc |
| Moscow | 14/57 | 11/52 r | 19/66 | 14/57 r |
| Munich | 17/62 | 7/44 sh | 17/62 | 9/48 sh |
| Nice | 21/70 | 13/55 pc | 22/71 | 16/61 pc |
| Oslo | 11/52 | 3/37 r | 8/46 | 1/34 r |
| Paris | 17/62 | 9/48 sh | 19/61 | 10/50 c |
| Prague | 18/64 | 8/46 r | 13/55 | 5/41 sh |
| Reykjavik | 8/46 | 3/37 pc | 8/46 | 5/41 sh |
| Riga | 11/52 | 4/39 r | 11/52 | -1/31 c |
| Rome | 22/71 | 10/50 pc | 23/73 | 13/55 s |
| St. Petersburg | 8/46 | 6/43 r | 10/50 | 3/35 sh |
| Stockholm | 8/46 | -2/28 s | 8/46 | -3/27 c |
| Strasbourg | 18/64 | 8/46 c | 18/64 | 10/50 sh |
| Tallinn | 9/48 | 2/35 c | 8/46 | -3/27 pc |
| Tbilisi | 23/73 | 14/57 r | 26/79 | 15/59 r |
| Venice | 24/75 | 13/55 pc | 23/73 | 14/57 pc |
| Vienna | 19/66 | 8/46 c | 19/66 | 10/50 c |
| Warsaw | 19/66 | 7/44 c | 14/57 | 1/34 pc |
| Zurich | 17/62 | 9/48 sh | 18/64 | 11/52 c |

**Middle East**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Abu Dhabi | 35/95 | 24/75 s | 37/98 | 23/73 s |
| Beirut | 22/71 | 18/61 pc | 24/75 | 17/62 s |
| Cairo | 33/91 | 16/61 s | 35/95 | 17/62 s |
| Damascus | 27/80 | 11/52 s | 29/84 | 12/53 s |
| Jerusalem | 24/75 | 11/52 s | 26/79 | 12/53 s |
| Luxor | 42/107 | 17/62 s | 41/106 | 18/64 s |
| Riyadh | 40/104 | 27/80 s | 38/100 | 26/79 s |

**North America**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Anchorage | 16/61 | 6/43 pc | 17/62 | 7/44 pc |
| Atlanta | 27/80 | 14/57 pc | 28/82 | 16/61 pc |
| Boston | 17/62 | 8/46 c | 16/61 | 8/46 pc |
| Chicago | 21/70 | 9/48 pc | 22/71 | 11/52 sh |
| Dallas | 23/73 | 17/62 sh | 26/79 | 17/62 t |
| Denver | 21/70 | 10/50 pc | 24/75 | 8/46 pc |
| Detroit | 19/66 | 8/46 pc | 22/71 | 10/50 pc |
| Honolulu | 30/86 | 23/73 pc | 31/88 | 23/73 pc |
| Houston | 27/80 | 19/66 t | 28/82 | 18/64 c |
| Los Angeles | 23/73 | 12/53 pc | 24/75 | 13/55 pc |
| Miami | 31/88 | 23/73 t | 30/86 | 22/71 pc |
| Minneapolis | 21/70 | 11/52 pc | 23/73 | 11/52 sh |
| Montreal | 9/48 | 1/34 sh | 11/52 | 2/35 s |
| Nassau | 31/88 | 23/73 t | 31/88 | 23/73 pc |
| New York | 18/64 | 10/50 pc | 22/71 | 12/53 s |
| Orlando | 30/86 | 19/66 c | 30/86 | 19/66 pc |
| Phoenix | 33/91 | 21/70 s | 33/91 | 19/66 s |
| San Fran. | 18/66 | 11/52 pc | 20/68 | 12/53 pc |
| Seattle | 18/64 | 9/48 sh | 19/66 | 10/50 sh |
| Toronto | 9/48 | 2/35 c | 15/59 | 4/39 s |
| Vancouver | 16/61 | 7/44 sh | 18/64 | 8/46 sh |
| Washington | 21/70 | 9/48 pc | 24/75 | 12/53 s |

**Asia**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Almaty | 28/82 | 14/57 c | 28/82 | 15/59 pc |
| Bali | 33/91 | 21/70 s | 32/89 | 21/70 s |
| Bangkok | 32/89 | 24/75 sh | 32/89 | 23/73 c |
| Beijing | 29/84 | 13/55 s | 27/80 | 14/57 s |
| Bombay | 32/89 | 24/75 s | 32/89 | 24/75 s |
| Calcutta | 38/100 | 25/77 s | 38/100 | 26/79 s |
| Chiang Mai | 32/89 | 22/71 sh | 32/89 | 21/70 c |
| Colombo | 29/84 | 23/73 pc | 29/84 | 23/73 pc |
| Hanoi | 32/89 | 26/79 r | 31/88 | 24/75 r |
| Ho Chi Minh | 32/89 | 24/75 sh | 32/89 | 23/73 r |
| Hong Kong | 29/84 | 24/75 r | 29/84 | 23/73 r |
| Islamabad | 40/104 | 21/70 s | 39/102 | 22/71 s |
| Jakarta | 31/88 | 23/73 pc | 30/86 | 22/71 pc |
| Karachi | 38/100 | 25/77 s | 37/98 | 25/77 s |
| K. Lumpur | 33/91 | 23/73 pc | 31/88 | 22/71 pc |
| K. Kinabalu | 33/91 | 27/80 pc | 33/91 | 25/77 pc |
| Manila | 33/89 | 24/75 r | 32/89 | 23/73 r |
| New Delhi | 44/111 | 25/77 s | 43/109 | 27/80 s |
| Phnom Penh | 32/89 | 23/73 c | 33/91 | 24/75 pc |
| Phuket | 32/89 | 24/75 sh | 32/89 | 23/73 c |
| Rangoon | 32/89 | 24/75 sh | 32/89 | 24/75 c |
| Seoul | 23/73 | 10/50 s | 18/64 | 10/50 r |
| Shanghai | 21/70 | 13/55 c | 24/75 | 18/61 s |
| Singapore | 33/91 | 27/80 pc | 33/91 | 26/79 pc |
| Taipei | 23/73 | 22/71 r | 25/77 | 21/70 r |
| Tokyo | 19/66 | 13/55 c | 23/73 | 14/57 sh |
| Vientiane | 32/89 | 25/79 r | 30/86 | 24/75 r |

**Africa**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Algiers | 28/79 | 13/55 s | 29/84 | 17/62 s |
| Cape Town | 17/62 | 6/46 s | 21/70 | 8/46 s |
| Casablanca | 22/71 | 14/57 s | 22/71 | 14/57 s |
| Harare | 32/89 | 12/53 s | 32/89 | 12/53 s |
| Lagos | 29/84 | 22/71 r | 29/84 | 23/73 r |
| Nairobi | 27/80 | 13/55 s | 24/75 | 13/55 pc |
| Tunis | 24/75 | 12/53 pc | 26/79 | 14/57 s |

**Latin America**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Buenos Aires | 8/46 | -2/29 pc | 10/50 | 3/35 s |
| Caracas | 31/88 | 25/77 pc | 31/88 | 25/77 pc |
| Lima | 24/75 | 17/62 pc | 23/73 | 17/62 pc |
| Mexico City | 24/75 | 12/53 pc | 25/77 | 11/52 pc |
| Rio de Janeiro | 28/79 | 20/68 pc | 24/75 | 18/64 r |
| Santiago | 17/62 | -1/31 s | 20/68 | 4/39 s |

**Oceania**

| | Today High C/F | Today Low/W C/F | Tomorrow High C/F | Tomorrow Low/W C/F |
|---|---|---|---|---|
| Auckland | 16/61 | 14/57 r | 18/64 | 14/57 r |
| Sydney | 18/64 | 12/53 c | 19/64 | 12/53 c |

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## THE AMERICAS

# McVeigh Defense Opens by Casting Doubt on Day of Truck Rental

*Compiled by Our Staff From Dispatches*

DENVER — Timothy McVeigh's lawyers began his defense Thursday by casting doubt on the cornerstore of a prosecution case pointing to their client as the worst mass murderer in U.S. history.

Stephen Jones, Mr. McVeigh's lead defense attorney, needs only to raise a reasonable doubt in jurors' minds about the government's case.

He began that effort Thursday by calling witnesses to rebut the prosecution argument that Mr. McVeigh rented a Ryder truck to carry the bomb two days before the Oklahoma City blast.

Herta King and Renda Truong testified they saw a Ryder truck in the parking lot of the Dreamland Motel in Junction City, Kansas, on Easter Sunday, April 16, 1995 — three days before the bombing that killed 168 people.

Mr. Jones, who has already told jurors that he will establish Mr. McVeigh's innocence, predicted his presentation could take less than two weeks.

"Now it's our turn at bat," he said on his way into court Thursday. "We have a job to do and we'll do it."

Mr. McVeigh stayed in the Dreamland Motel under his own name in the week leading up to blast, and prosecutors say he rented the truck at a nearby body shop on Monday, April 17.

Ms. King said she was certain she saw the truck on Easter Sunday because she brought her son an Easter basket filled with chocolate eggs.

"I saw a yellow Ryder truck sitting right here," she said. "I could not see my son's car because the Ryder truck blocked the view."

Sources close to the case said that Mr. Jones was expected to call 30 to 40 witnesses to attack "every single point the government has made."

U.S. District Judge Richard Matsch has prohibited the defense from introducing the theory that international terrorists were behind the bombing, the sources said.

On Wednesday, prosecutors rested their case — a case built largely on circumstantial evidence that also deftly tied Mr. McVeigh to the bombing that rocked Oklahoma City and blasted the nation's confidence that it was safe from domestic terrorism. The government's chief witness, Michael Fortier, delivered even more than expected, telling a rapt jury that Mr. McVeigh was so intent on killing federal workers that he was prepared to crash a bomb-laden truck into the front doors of the Alfred P. Murrah Federal Building.

The defendant's sister, Jennifer McVeigh, identified his handwriting on letters he had written, many of them railing against the government, one even threatening federal law enforcement officials with this epithet: "Die, you cowardice bastards."

Dozens of receipts collected by FBI agents seemed to pin Mr. McVeigh to large purchases of ammonium nitrate, leases on storage lockers and the rental application for a Ryder truck.

But the government's case was not fail-safe.

Prosecutors skipped over the weak points, avoiding testimony on how, where or when the ammonium nitrate and fuel oil bomb was mixed and placed into the truck. Nor did they have any witnesses who could place Mr. McVeigh in Oklahoma in the hours or minutes before the blast.

There are other key discrepancies in the government's case, all of which the defense was trying to exploit when it opened its case Thursday.

Tom Kessinger, a Ryder employee, testified he was sure Mr. McVeigh was accompanied by a second, shadowy man who came to be known as John Doe No. 2. What was his role in the bombing? There is also Daina Bradley, a young mother severely injured in the bombing, who remembers seeing a man other than Mr. McVeigh step out of the passenger side of the truck moments before it incinerated the front of the federal building.

And there are sweeping questions about the FBI's crime laboratory in Washington, and the fact that several laboratory officials who worked on the Oklahoma City explosion were suspended and removed from their jobs in the midst of a critical audit by the Justice Department's Inspector General's office.

Prosecutors used Mr. McVeigh's letters and recollections from his former friends that strongly indicated that the 1993 FBI raid against the Branch Davidian sect at Waco, Texas, was the primary force behind his anger against the government. But the coup de grace seemed to come from Mr. Fortier and his wife, Lori, anti-government activists and former friends of Mr. McVeigh's. In a deal with the government, Mr. Fortier pleaded guilty to reduced charges and agreed to testifying against Mr. McVeigh. Mrs. Fortier was granted immunity from prosecution in return for her testimony.

They separately provided the most intimate details of Mr. McVeigh's hatred for the government and his plans to avenge the deaths of Branch Davidians.But it was one line in the 160 hours of government witness testimony that chilled the courtroom, and captured the essence of why prosecutors want Mr. McVeigh to pay with his life for the lives of so many they say he ruined.

"If he had to," Michael Fortier testified, "he was going to drive the truck down the stairs and crash it through the front doors." *(AP, LAT)*

# Female Pilot's Defenders Miss Point, General Says

By Elaine Sciolino
*New York Times Service*

WASHINGTON — The air force chief of staff has sharply criticized the country's first female B-52 pilot, even as the secretary of the air force weighed whether to grant her an honorable discharge instead of court-martialing her on adultery, lying and other charges.

In testimony before the Senate Appropriations Committee, General Ronald Fogleman suggested that lawmakers and the public should see First Lieutenant Kelly Flinn, for what she is: guilty of lying and rank insubordination.

The remarks came Wednesday when furor over Lieutenant Flinn's case rose on Capitol Hill and the air force released a letter from the former wife of a civilian with whom Lieutenant Flinn is accused of having an affair.

General Fogleman, along with Air Force Secretary Sheila Widnall, had been called to testify about the service's budget. He offered his opinion on the case after being berated by Senator Tom Harkin for overseeing what the Iowa Democrat said was an overly moralistic legal code in the air force.

General Fogleman responded by saying the point of the case was not "the adultery thing" that had "spun up the press." Rather, he said: "This is an issue about an officer entrusted to fly nuclear weapons who disobeyed an order, who lied. That's what this is about."

The most serious charge against Lieutenant Flinn is making a false official statement to investigators, which carries a maximum penalty of five years in prison. She is also charged with disobeying the air force regulation against fraternization with an enlisted man (the result of a two-night relationship with an airman), which could lead to a prison sentence of two years, as well as adultery with a married civilian and conduct unbecoming an officer, for which she could get one year each. She could get an additional six months for disobeying a lawful order.

Lieutenant Flinn has asked the air force for an honorable discharge and Ms. Widnall is considering her request. The air force has no precedent for granting an honorable discharge in such a case.

General Fogleman argued that the service could not selectively enforce its rules.

Ms. Widnall did not comment on the issue. As more lawmakers lined up publicly Wednesday behind Lieutenant Flinn, Mr. Harkin chastised the air force for the way it had handled the issue.

"I think the air force is looking ridiculous on this," said the senator, who was a jet pilot in the navy for five years.

The air force acknowledged Wednesday that it had received a letter from the woman whose former civilian husband had had an affair with Lieutenant Flinn. In the letter, the former wife asked the air force secretary to show no mercy on Lieutenant Flinn.

The letter from the former wife, Airman Gayla Zigo, dated May 17, labeled the pilot a calculating predator who stole her husband.

"If Lieutenant Flinn gets away with these crimes," Airman Zigo wrote, "what does that say to the rest of the air force populace?"

Timothy Clary/Agence France-Presse

**AT LAST — Robert Jones waving after being awarded the Navy Cross from Navy Secretary John Dalton in New York. Mr. Jones left his post as a cook to shoot down a kamikaze during the Battle of Leyte Gulf in 1944.**

## Away From Politics

- **An engine fire forced a SkyWest commuter plane** with 17 people aboard to make an emergency landing at a naval base near San Diego that ended with the plane's brakes failing. No one was hurt. The aircraft was a Brazilian-made Embraer 120, a model that has been involved in four major crashes since 1991, most recently in January when a Comair flight crashed near Detroit, killing all 29 people aboard. *(AP)*

- **Bullets from James Earl Ray's rifle** were scanned by an electron microscope for clues that could prove or disprove whether the gun was used to kill the Reverend Martin Luther King Jr. in 1968. The tests are to be completed by Friday. *(AP)*

- **A New York judge said he would accept the withdrawal of a child-neglect petition** against the parents of a Danish baby who was placed in foster care after she was left in a stroller outside a New York restaurant where her parents were eating. *(NYT)*

- **Adding diversity to its collection,** the Barbie doll-maker Mattel Inc. has introduced a doll in a wheelchair. The doll, called Share a Smile Becky, has a retail price of $19.99, bendable knee joints and a bright pink wheelchair. It became available in selected U.S. toy stores this week. *(NYT)*

## POLITICAL NOTES

### Clinton and Republicans Kill An Increase in Cigarette Tax

WASHINGTON — The Senate has voted, 55 to 45, to defeat a bipartisan proposal to use an increase in the cigarette tax to expand health care coverage for low-income children, after Republican leaders and President Bill Clinton warned that the measure would breach the balanced budget plan.

A bitter floor fight over the proposal temporarily jeopardized Senate passage of the five-year White House-Republican plan to eliminate the deficit and reduce taxes by $85 billion. The House approved the plan, 333 to 99, Wednesday after a marathon, highly discordant session.

Republican leaders and the White House had hoped for swift, harmonious disposal of the budget blueprint before the House and Senate leave for the Memorial Day recess this weekend, but the task has proved to be far more contentious and problematic.

Mr. Clinton finally intervened to defeat the effort, primarily out of fear that the budget deal would begin to unravel. In response to a call from Senator Trent Lott, the Senate majority leader, the president called Senator Thomas Daschle, the minority leader, urging that he end the effort. Senator Edward Kennedy had said that Vice President Al Gore was ready to cast a tie-breaking vote if necessary to pass the amendment, but Mr. Lott's call to Mr. Clinton essentially removed the vice president as a possible ally.

"As a free-standing matter, I think this president's sympathies are pretty clear on the thrust of the legislation," said the White House press secretary, Michael McCurry. "The problem is the amendment doesn't stand freely, it stands encumbering the balanced budget agreement that we also fought very hard for. The president is not about to see all that hard work go down the drain." *(WP)*

### 2 Donors to Plead Guilty

WASHINGTON — An Oklahoma couple who raised thousands of dollars for Democrats in recent years have agreed to plead guilty to arranging $50,000 in illegal contributions during the 1994 election, the Justice Department said Wednesday.

Under the agreement, Eugene and Nora Lum each agreed to plead guilty to a single count of conspiring to contribute the funds illegally through intermediaries described in legal papers as "straw donors."

The intermediaries generally were provided with money to make the donations or were reimbursed afterward. In some cases, checks were written on a donor's behalf without his or her knowledge.

The donations, including some contributions funneled through employees of the Lums' Oklahoma gas pipeline company, Dynamic Energy Resources Inc., went to the campaigns of Senator Kennedy of Massachusetts and W. Stuart Price, an unsuccessful candidate for Congress. Mr. Kennedy later returned some of the contributions.

Several law-enforcement officials said Wednesday that the case represented the first prosecution of the far-reaching inquiry into campaign financing that has focused on how President Bill Clinton raised money for his re-election last year.

But other lawyers, inside and outside the government, said the agreement represented the remnants of the investigation by Daniel Pearson, the independent prosecutor who was looking into the personal finances of Commerce Secretary Ronald Brown. That inquiry was closed when Mr. Brown was killed in a plane crash in Croatia in 1996.*(NYT)*

### Quote/Unquote

Representative Bob Inglis, Republican co-sponsor of a bill overwhelmingly approved in Congress to protect volunteers from some lawsuits stemming from their charity work: "If you're being a good Samaritan and there's an accident that isn't your fault, you shouldn't get sued." *(AP)*

# The Heat Over Mercury

## Senate Puts on Pressure to See Hazards Study

By Jo Warrick
*Washington Post Service*

WASHINGTON — The Clinton administration is facing renewed pressure to make public an overdue report on mercury that suggests the metal is a more potent and widespread health threat than is believed.

A resolution was expected to be introduced in the Senate on Thursday, calling for the release of the 1,700-page document, which politicians from northeastern states have been trying to shake loose from a kind of regulatory limbo for more than 18 months.

Distilling the work of scores of independent scientists worldwide, the Environmental Protection Agency report makes the case that mercury is toxic at levels lower than previously believed and suggests that U.S. regulations should be changed to reduce the amount of mercury being released into the environment.

A draft version of the report estimates that 85,000 American women are being exposed to mercury at levels high enough to affect the brain development of their unborn children.

At least 37 states have issued advisories warning of possible mercury contamination in freshwater fish. The report also identifies the major sources of mercury — many of which face little or no regulation of their emissions. Among the biggest polluters are coal-fired electric utilities and waste incinerators, which release mercury through the combustion of batteries, lighting fixtures and medical equipment, the report states.

Finally, the report offers specific suggestions for reducing mercury pollution, including better recycling and emissions controls on smokestacks.

Ordered by lawmakers in 1990, the report could form the basis for new, tighter federal controls on mercury. But days before the deadline for its submission to Congress — April 1996 — administration officials shifted course and diverted the report to a scientific panel for further review. The move prompted an outcry from environmentalists and postponed any possible new regulations by many months, or perhaps years.

Environmental Protection Agency officials said the additional step was necessary to steel the report against future legal challenges. Early drafts drew criticism from industries as well as lawmakers and even scientific advisers in the administration.

# Brazil Senate Gives Presidency a Boost

*New York Times Service*

RIO DE JANEIRO — The Senate has given initial approval to a constitutional amendment that would allow the president, state governors and mayors to run for second terms, handing President Fernando Henrique Cardoso the most important victory of his presidency.

The vote of 63 to 6 was a triumph for Mr. Cardoso, who reportedly set his sights on a second term even before he won his first three years ago. It came against a backdrop of charges that his administration had paid off legislators who voted in favor of the re-election amendment in the lower house, the Chamber of Deputies, in January.

On Wednesday, in a series of votes after the re-election amendment passed, the senators rejected changes to it that would have required its return to the Chamber of Deputies for another round of voting. The most important of the changes would have subjected the amendment to a public referendum. It was rejected by a vote of 49 to 28.

Hours before Wednesday night's vote, two legislators from the western state of Acre who had been secretly recorded discussing payoffs resigned as the Chamber of Deputies prepared to impeach them.


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| Claims on customers | 4,203 | 4,694 | + 11.7 |
| Claims on credit institutions | 13,546 | 14,009 | + 3.4 |
| Securities | 3,513 | 5,412 | + 54.0 |
| Own funds (1) | 1,186 | 1,380 | + 16.4 |
| Net profit for the financial year | 94 | 105 | + 12.1 |
| Dividend per share (in USD) (2) | 37 | 43 | + 16.9 |

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# Opponent of Jakarta Chooses Not to Vote

## *Abstention Seen as 'Signal' to Dissenters*

*Agence France-Presse*

JAKARTA — In a new challenge to the government, a key opposition leader, Megawati Sukarnoputri, said Thursday that she would not vote in next week's parliamentary election.

Mrs. Megawati did not, however, call for a boycott. Abstaining from voting is legal in Indonesia, but it is unlawful to encourage others not to vote.

"I have taken the decision, as an individual, not to use my political right to vote on May 29," she said. "The vote is an individual right for each citizen, and everyone must use it following their own conscience."

She did say, however, that any vote for the Indonesian Democratic Party, from which she was ousted as leader by a government-backed faction, would be "neither legal nor constitutional."

The rival faction deposed Mrs. Megawati from the top post and replaced her with Suryadi in June 1996. A major riot erupted a month later when troops helped the rival faction evict Mrs. Megawati's followers from the party headquarters.

Suryadi's leadership has faced strong opposition from Megawati loyalists throughout the country. Her supporters have heckled Suryadi and his followers during campaign rallies.

Mrs. Megawati, daughter of Sukarno, the founder of independent Indonesia, has been blocked from running for office along with 20 of her supporters. She called on her backers to boycott the election campaign, which ends Friday.

The Indonesian Democratic Party, the United Development Party and President Suharto's Golkar party are the only three groups allowed to contest the 425 seats at stake in the 500-seat Parliament.

The other 75 seats are allotted to the armed forces.

Subagio Anam, an ally of Mrs. Megawati's, said that while the opposition leader had not told her supporters to abstain from voting, she nevertheless had "sent them a signal."

Midan, a Megawati loyalist from Bekasi, said he, too, would abstain from voting on polling day. "One has to be stupid not to follow her lead," he said. "I am definitely not voting."

Several of Mrs. Megawati's women supporters said they were "satisfied" with her stance, one of them adding that not voting "is exactly what my intention was."

Patrick de Noirmont/Reuters

**Megawati Sukarnoputri, the deposed opposition leader, addressing supporters Thursday in Jakarta.**

## BRIEFLY

### *Manila Says Talks With China Over Disputed Shoal Are Set*

HONG KONG — President Fidel Ramos of the Philippines sought Thursday to cool a dispute with Beijing over a South China Sea reef that has led to fresh Chinese protests that the Philippines broke international law.

Mr. Ramos said that negotiations over Scarborough shoal, Huangyan in Chinese, will start in the next 10 days, and he wanted the issue resolved "peacefully and diplomatically."

He was commenting during a half-day visit to Hong Kong on China's warning that his government's claim over the reef was "absolutely unacceptable to the Chinese government and people."

"We've established our position," he said at a news conference. "They've established their position. We are working on a mechanism to discuss the subject." *(AP)*

### *Burmese Make Fresh Arrests*

RANGOON — Undaunted by the arrest of scores of her supporters, Daw Aung San Suu Kyi, pro-democracy leader in Burma, is determined to go ahead with a political congress this month, an aide said Thursday.

Scores of members of Daw Aung San Suu Kyi's political party have been arrested in two of Burma's 14 provinces as the military regime begins a nationwide sweep to prevent the meeting, the aide said, speaking on condition of anonymity.

The May 27 meeting is meant to commemorate the 1990 national election in which Daw Aung San Suu Kyi's National League for Democracy won 82 percent of the seats in a Parliament that the military refused to convene.

Party members were detained in the Mandalay and Irrawaddy districts of northern Burma, and the arrest total was sure to rise, the aide said. *(AP)*

### *Asians Urge AIDS Prevention*

BANGKOK — Delegates from Asian countries called on their governments Thursday to give priority to the prevention of AIDS and the virus that causes it before the disease reaches epidemic proportions.

Representatives from China, Cambodia, Indonesia, Malaysia, Burma, Thailand and Vietnam who participated in a United Nations workshop in Bangkok urged their governments to give priority to preventing the disease.

"What we accomplished is for the countries in Asia to know about the successes of Thailand," Werasit Sittitrai, coordinator of policy strategy and research for Unaids, told reporters.

He said that there were about 3 million people with HIV — the virus that causes AIDS — in Asia, and that this would increase by between 1 and 2 million by the year 2000. Without prevention the figure would be 2 to 5 million higher, he said. *(Reuters)*

### *Taleban Tries to Calm Fears*

KABUL — The Taleban reassured neighboring countries Thursday that recent gains against the opposition alliance in the north of Afghanistan posed no threat to the region but warned against interference.

A statement from the Foreign Ministry in Kabul said that Afghanistan "respects all international norms of independence, national sovereignty and territorial integrity."

Former Soviet republics to the north of the country fear a huge influx of refugees and the possibility that the Taleban might be tempted to export their militant brand of purist Islam to the shaky new nations of Central Asia, with their predominantly Muslim populations. *(Reuters)*

## China Pledges Vote In Hong Kong as Panel Debates Rules

*The Associated Press*

BEIJING — China's foreign minister promised Thursday that Hong Kong would get a new legislature in a "democratic, fair and open" election after the British colony returns to Chinese rule July 1.

Britain contends that Hong Kong's current legislature was elected fairly, but China says it did not approve the rules that governed that election.

It plans to replace Hong Kong's legislature with an appointed provisional body until mid-1998, when China says legislative elections under new rules will be held.

A committee China appointed to prepare for Hong Kong's change of sovereignty began discussing those rules Thursday in Beijing.

At the meeting, Foreign Minister Qian Qichen said anyone who met criteria laid down by China would be allowed to run for election.

"The methods for producing the first legislature will embody democratic, fair and open principles," he said.

All eligible candidates will "have an equal chance to run for office," Mr. Qian said. "I have said before that Hong Kong society should stress tolerance."

## *North Korea Dismisses Talk of Warmongering*

*The Associated Press*

SEOUL — North Korea said Thursday that its food shortage has reached "a serious stage" but that it had no plans to wage war out of desperation.

North Korea was denying what it called an "ill-boding campaign" by foreign countries that warn that the Communist state might start a war with South Korea to divert domestic attention from its food crisis.

"It is true that our temporary food shortage has reached a serious stage," an unidentified spokesman for North Korea's Foreign Ministry said in a statement, carried by the country's official Korean Central News Agency. "But war is not what we want."

The statement accused "bellicose elements" of spreading false rumors to justify plans to launch "preemptive" attacks on North Korea.

Worries that North Korea was preparing for war grew after comments by North Korean defectors, including Hwang Jang Yop, a member of the country's decision-making Workers Party's Central Committee, who arrived here in April.

A North Korean defector said Thursday that rumors were widespread in the North that the nation's leader, Kim Jong Il, might start a war between July and October.

"Every day, TV screens are showing Kim Jong Il visiting military units and exhorting the nation to strengthen its military," said the defector, Kim Won Hyung.

At a nationally televised news conference, he said Kim Jong Il might risk armed provocations after the third anniversary in July of the death of his father, President Kim Il Sung.

Since his father's death, the younger Kim has been ruling North Korea as head of its 1.1 million-member army.

Kim Won Hyung and seven relatives, along with six members of a friend's family, arrived in South Korea last week by boat.

Red Cross officials from the North and South were to meet Friday in Beijing to discuss food aid. Last time they met, talks broke down after two days. The South Korean Red Cross demanded a more efficient aid distribution system. The North Korean Red Cross called the demand premature until South Korea could specify how much aid it would deliver and when.

On Wednesday, the South Korean Red Cross said it would offer 1,000 metric tons of flour to the North at the meeting Friday.

## China Assails Taipei Address at EU

*Compiled by Our Staff From Dispatches*

BRUSSELS — Despite sharp protests from Beijing, Foreign Minister John Chang of Taiwan addressed a European Parliament committee Thursday and proposed reunification with the mainland on an equal footing after a rapprochement of their systems.

A spokesman for the Chinese Foreign Ministry in Beijing "warned the European Parliament on the necessity to cease these actions that undermine Chinese-European relations." He added that the appearance by Mr. Chang was a "violation of sovereignty and a gross interference in the internal affairs of China."

The chairman of the committee, Tom Spencer of Britain, had specified before Mr. Chang's speech that it was merely part of an "information meeting" that did not constitute a recognition of Taiwan.

Restating Taipei's policy, Mr. Chang said in response to a question that reunification with the mainland could take place if it were done on equal footing after a rapprochement of systems — an allusion to the fall of communism.

Until that happened, though, Mr. Chang said Taiwan was "ready to maintain the status quo" and continue its efforts to be "recognized on the international scene."

Beijing, which regards Taiwan as a renegade province, strongly opposes Taipei's attempts to enhance its international status, saying they are part of plans to set up a permanent split. The two separated at the end of a civil war in 1949. *(AFP, AP)*


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INTER-CONTINENTAL HOTELS AND RESORTS

## BRIEFLY

### ...ila Says Talks With China ...Disputed Shoal Are Set

G-KONG — President Fidel Ramos of the Phil... sought Thursday to cool a dispute with Beijing ...outh China Sea reef that has led to fresh Chinese ...that the Philippines broke international law. ...amos said that negotiations over Scarborough ...angyan in Chinese, will start in the next 10 days, ...anted the issue resolved "peacefully and dip... ...dly."

...as commencing during a half-day visit to Hong ...China's warning that his government's claim ...reef was "absolutely unacceptable to the ...government and people." ...we established our position," he said at a news ...ce. "They've established their position. We are ...on a mechanism to discuss the subject." (AP)

### ...nese Make Fresh Arrests

...OON — Undaunted by the arrest of scores of ...oters, Daw Aung San Suu Kyi, pro-democracy ...Burma, is determined to go ahead with a political ...this month, an aide said Thursday. ...s of members of Daw Aung San Suu Kyi's ...party have been arrested in two of Burma's 14 ...s as the military regime begins a nationwide ...prevent the meeting, the aide said, speaking on ...t of anonymity.

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...ing officials from the countries in Asia to ...ess the development of [illegible] Western Situation, ...ion of policy strategy and research for Unaids ...ters.

...d that there were [illegible] people with ...ion that causes AIDS — in Asia and that this ...ease by [illegible] by the year ...ther prevention [illegible] could be 2 to 5 ...ighter, he said. (Reuters)

### ...an Tries to Calm Fears

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# French Turn to Internet To Find Forbidden Poll

## Week Before Voting, Results Are Banned

By Charles Trueheart
*Washington Post Service*

PARIS — As banner headlines go, it isn't very sexy: "Type www.edicom.ch/tdg/"

But the front-page challenge in the popular daily France-Soir was an incitement to breaking, or at least skirting, the law.

What the paper is advocating in the closing days of a tightly contested national election campaign is a way around a 20-year-old French statute banning the dissemination of political poll results one week before voting.

The first of two rounds will be held Sunday.

The nearly daily publication of public opinion polls for the first four weeks of the campaign came to a halt last weekend. That legal curtain left French voters either bereft or relieved, but in any case without benefit of the latest snapshots of how the candidates and the parties might fare in the first round of voting for 577 legislative seats in the National Assembly.

The law does not ban the poll-taking itself, which continues with abandon, just the dissemination of what it finds to the general public. Violators can be fined as much as 500,000 francs ($87,700).

To meet the hunger of political junkies, bond traders, candidates and journalists for the latest numbers, the Swiss newspaper La Tribune de Geneve and the Daily Telegraph in London are publishing the banned information, collected by French polling firms, and offering it on their Internet web sites — with France-Soir merrily urging its readers to partake of the forbidden fruit.

"It's as good as Radio London under the Occupation or a whiskey during Prohibition," the paper said.

France's poll-takers share the outrage. "From a commercial point of view, I love the law," said Roland Cayrol, director of the CSA polling firm. "I have subscriptions from the candidates, the parties, financial firms. But as a citizen, I think it's harmful and absurd and archaic. It creates all kinds of false rumors. It restricts polls to those who can pay for them."

The French law, born of a zeal to protect ostensibly impressionable voters as they ponder their electoral choices, mirrors legislation in some other countries as well as laws occasionally proposed by reform-minded American groups.

In Italy, the blackout on poll results begins 15 days before elections. In Belgium, there is a law of this kind, but ever since a publication called Knack ignored it in 1991 without penalty, other news media have followed suit, and the law is honored now only in the breach. The Netherlands, Germany, and Britain labor under no such restrictions.

"It's a good example of the French trying to control destiny," said Marc Chavannes, Paris-based correspondent of the Dutch daily NRC Handelsblad. "The politicians try to influence the voters by speaking to them from their high thrones, but they don't want the voters to talk to themselves."

Calling the French law "pointless, foolish and unenforceable," the Daily Telegraph's Paris correspondent, Susannah Herbert, said Thursday she had filed a story for Friday's paper sharing the results of the latest French poll conducted by the IPSOS organization for Le Point magazine, which she said she obtained from a banking firm in London.

Miss Herbert said the information will be posted on the Telegraph web site (www.telegraph.co.uk) Friday night.

"It would be different if the poll showed a crashing left victory, but it doesn't show anything different from what we were publishing last week," she said.

"I wouldn't bother mentioning it at all if it weren't for a certain samizdat value to this information."

France, Mr. Cayrol said, "is the last country that believes in the magic of polls, that pollsters are gurus."

"But this law is living its last hours."

Christophe Ena/The Associated Press

**ROSY OUTLOOK — Lionel Jospin, the French Socialist leader, jumping back after a barman knocked over a vase with a rose, the party's symbol, during campaigning Thursday in southwestern France.**

# Ulster Parties Protest Timing Of IRA Talks

*The Associated Press*

BELFAST — As ballots were counted Thursday, Protestant leaders accused the British government of giving Irish Republican Army supporters an edge in elections for Northern Ireland's local councils.

Sinn Fein, the political arm of the IRA, appeared to be gaining a bigger share of the vote than usual in virtually every predominantly Catholic district.

The Democratic Unionist Party led by the Reverend Ian Paisley, which is resolutely opposed to any negotiations with Sinn Fein, appeared also to be gaining.

The province's two main parties — the Ulster Unionists on the Protestant side and the Social Democratic and Labor Party on the Catholic side — defended their top positions.

Seeking a new truce, the British government held its first talks in 15 months with Sinn Fein on Wednesday, when British broadcasters normally offer no platforms to any politicians.

"The government offered Sinn Fein a huge publicity platform on the very day that people were casting their ballots. It was a gross and deliberate intervention," said Peter Robinson, deputy leader of the Democratic Unionists.

With only the first stage of votes counted, the Ulster Unionists had 29 percent and 45 seats, the Democratic Unionists 16 percent and 20 seats, the Social Democrats 19 percent and 32 seats and Sinn Fein 13 percent and 24 seats. Those figures did not include votes from west Belfast, a Sinn Fein stronghold that will be counted Friday.

Under a complex system of proportional representation, final results for how many seats each party wins on Northern Ireland's 26 councils will not be known until Friday.

Turnout was often below 50 percent in predominantly Protestant areas while the rate was above 70 percent in most Catholic areas, revealing the dogged competition between the moderate Social Democrats and militant Sinn Fein.

## BRIEFLY

### *UN Monitor on Iraq Now Envoy to U.S.*

STOCKHOLM — Rolf Ekeus, who has led the United Nations' tense and complex program to inspect Iraqi weapons, will become Sweden's ambassador to the United States, the government announced Thursday.

Mr. Ekeus has spent six years leading the inspectors who are monitoring whether Iraq has eliminated its weapons of mass destruction. The UN imposed economic sanctions on Iraq after it invaded Kuwait in 1990 and says it will not lift them until the inspection team certifies that Iraq has gotten rid of the weapons.

He repeatedly has accused Iraq of misleading his inspectors and of hiding information. Iraq, in turn, long has accused Mr. Ekeus of being in league with the United States in trying to keep the UN sanctions in place.

Mr. Ekeus, 62, is a veteran diplomat whose posts have included ambassador to the Netherlands and chief of the Swedish delegation at the Geneva disarmament talks. He replaces Henrik Liljegren as ambassador. *(AP)*

### *Lyon Ex-Mayor Put Under New Inquiry*

LYON — Michel Noir, a former mayor of Lyon, is being investigated again for corruption in a case in which he received a suspended 18-month prison term last year, French justice sources said Thursday.

Mr. Noir, a former centrist member of Parliament and trade minister once regarded as a possible presidential candidate, was formally placed under investigation Wednesday on suspicion of having received misappropriated company funds, the sources said.

Judge Gilbert Emery questioned Mr. Noir for five hours concerning 10 million francs ($1.75 million) deposited by three business executives — who are also under investigation — into Swiss bank accounts held by his son-in-law Pierre Botton.

Mr. Noir has been convicted of diverting 8 million francs of Lyon's municipal funds to finance political campaigns and personal expenses. He was given a 12-month suspended sentence in that case. *(Reuters)*

### *Accord in Albania*

TIRANA, Albania — Albania's second-largest political grouping, the Socialist Party, said Thursday that it had decided to run in the June 29 elections, lifting a planned boycott that threatened to block the voting.

The elections are regarded as vital to stop Albania from plunging back into violence and anarchy.

The Socialists' agreement is likely to be followed by decisions by other parties to run.

They threatened to boycott over election rules that they said favored President Sali Berisha and his Democratic Party. The Socialists, the main rival to Mr. Berisha, pulled out of the previous election in May 1996, accusing the Democrats of rigging the vote. *(Reuters)*

# Blair Opts for 'Constructive Abstention' on Some EU Proposals

*Agence France-Presse*

LONDON — Prime Minister Tony Blair is prepared to accept the principle of "constructive abstention" on a common foreign and security policy at an informal European Union summit conference in the Netherlands, British officials said Thursday.

"There may be a case in flexibility in intergovernmental areas, such as the use of constructive abstention," the officials said ahead of the one-day meeting in Noordwijk on Friday.

The meeting paves the way for the EU summit talks in Amsterdam next month, which is to seal a new treaty on EU institutions.

The principle of "constructive abstention" would allow an EU member to disassociate itself from a measure or action in the foreign policy domain without preventing its partners from undertaking or signing on to it.

# SWISS: *Report Is 'One-Sided'*

**Continued from Page 1**

cord, led largely by Senator Alfonse D'Amato, Republican of New York, and the World Jewish Congress, have inspired a profound identity crisis here, with some Swiss battling to reconcile the disclosures about their trading with Nazi Germany against a national myth of wartime resistance to fascism.

The debate has split the small nation between young and old and between those who see their professed neutrality as a justifiable defense of wartime sovereignty and survival and those who see their behavior as little more than collaboration covered up by postwar propaganda.

The Swiss statement acknowledged that there had been "questionable deals which did not affect the survival of Switzerland" between Swiss business interests and the Nazis.

But, turning to the most contentious part of the Eizenstat report, it renewed the government's argument that Swiss survival outweighed risking an invasion.

"That Switzerland traded with the Axis powers as well as the Allies was a question of national political and economic survival," the Swiss response said. "Only hypotheses are possible to question whether Switzerland in 1943-1944 would have been in a situation to break off business ties with the Axis powers without provoking the risk of an invasion."

The U.S. report also accused the Swiss authorities of reneging on a 1946 accord — the Washington Agreement — about the liquidation of hundreds of millions of dollars of German assets wanted by the United States and its allies to finance war reparations.

The agreement committed Switzerland to liquidating millions in German-owned assets, depicted in Washington as Nazi loot but said by Swiss historians and officials to include prewar assets of German citizens, including some German Jews. According to the Eizenstat report, Switzerland never respected the agreement.

Referring to that accusation, the Swiss statement seemed more conciliatory.

"We must judge more critically from today's outlook the liquidation of German assets," it said. "When reading the report, the impression arises of a country which could not or would not empathize with the needs of a war-torn Europe."

It said, however, that only historians would be able to judge whether the Swiss refusal to comply with the agreement reflected "an all-too narrow legalistic approach or if it was based on comprehensible difficulties and national and international legal principles."

The underlying theme of the U.S. accusations is that Switzerland's vaunted neutrality cloaked an amorality not only in financial affairs but also in such decisions as the one in 1942 to turn back tens of thousands of Jewish refugees at its frontiers.

"Viewed in all, neutrality led to a difficult tightrope walk between adaptation and resistance," the statement said.

"Today we know that this also led to mistakes. The fainthearted refugee policy concerning Jews was inexcusable. In the business and financial sector, concessions were sometimes made to the Axis powers which are very hard to comprehend today in view of the inner convictions of the population and measured by absolute necessity."

The statement recalled, however, that "it must not be forgotten that Switzerland's neutral stance also served Allied interests."

# RUSSIA: *Yeltsin Fires Top 2 Defense Officials for Not Carrying Out Reforms*

**Continued from Page 1**

also feel that it is operating in a reformed country."

But a number of analysts, not limited to Mr. Yeltsin's political adversaries, noted that the president shared the blame for the military's state and in particular for its failure to launch any meaningful cuts or reforms.

"Yeltsin has made the Russian high command responsible for the failures of a reform program whose roots are as much political as military," said John Erickson, an expert at the University of Edinburgh on the Russian military. "It's a tried and true Yeltsin technique — blaming others for his own failures."

Many military specialists and career officers in Russia and the West agree that any serious reform program would involve enormous expense. Mr. Yeltsin, while demanding reform, has slashed military spending drastically.

Mr. Rodionov, whose perspectives are supported by his officer corps and some American analysts, has argued that it is impossible to begin a modernization program at a time when military spending is half what the Defense Ministry requested and less than 80 percent of what was budgeted.

Mr. Yeltsin has been unsympathetic to that view. He has sided with the chief of his defense council, Yuri Baturin, a civilian economist, who has pressed for deep cuts in manpower, programs and bureaucracy to foster a smaller but more professional force.

Russia's young liberal reformers, whom Mr. Yeltsin has appointed to key positions in the past few months, back Mr. Baturin's positions.

"The only realistic strategy is to carry out reforms by using hidden reserves," Yegor Gaidar, the former prime minister who has influence among the reformers at the helm of the government, told Interfax. Among potential savings, he mentioned trimming the 1.2-million-strong defense bureaucracy, tightening lax financial controls, getting a grip on overpayments for purchases of weapons and other goods and modernizing an outdated system of military education.

The military relies entirely on conscription. Draft-dodging is rife, and the 1.5 million men who do serve under arms are often treated terribly. Their salaries, when they are paid at all, are a pittance. Food is so scarce that there have been instances of recruits starving to death, and severe malnutrition is not uncommon. Brutality is reported to cause hundreds of deaths a year.

A bloated officer corps has earned the disdain of enlisted men and the public alike for allegedly enriching itself by selling off military materiel.

"We have reached the point where we are short of spoons and plates but the number of servicemen and the number of generals is stubbornly not being cut," Mr. Yeltsin said. "Generals are not interested in reorganizing the army because they may lose their privileges. They are the main obstacle in implementing army reforms."

Mr. Rodionov, who was head of the military academy of the general staff, was named defense minister last summer at the urging of Alexander Lebed, a retired paratrooper general who then ran the national security council. But Mr. Lebed was fired last fall, and Mr. Rodionov, who complained ceaselessly about cuts in spending and their effect on military readiness, has been in a tenuous position ever since. Mr. Rodionov had written extensively about military reform in his previous post but felt himself unable to implement it once in office.

Alexei Arbatov, deputy chairman of Parliament's defense committee, said that Mr. Yeltsin had promised for three years to assume control of reforming the military. That nothing has been done, he said, that "it is still in the same place, is not Rodionov's fault or the fault of his predecessor."

"To a great extent," he continued, "it is the fault of the president himself."

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THE WORLD'S DAILY NEWSPAPER

# In Return for Aid in Fight, What Do the Rebels Owe?

By James C. McKinley Jr.
*New York Times Service*

LUBUMBASHI, Congo — When Laurent Kabila's rebels captured this country's capital over the weekend and catapulted him into the presidency, they did not do it alone.

From the onset of the war last autumn until the fall of Kinshasa on Saturday, Mr. Kabila's forces received heavy support from several neighboring countries with an interest in toppling the longtime dictator, Mobutu Sese Seko, diplomats and U.S. officials said.

The military aid came in many forms from Rwanda, Uganda, Zambia and Angola — all of whom have denied involvement. It ranged from military advisers to training to air transport to supplies. In a few instances, foreign troops even crossed the border to fight alongside the rebels.

And thousands of Tutsi volunteers from Uganda and Rwanda joined the rebellion in sympathy with their Tutsi kinsmen here.

The foreign support for the rebellion is almost certain to complicate Mr. Kabila's efforts to govern this fractious country of more than 200 tribes, since it has essentially brought to power the Tutsi, who in Congo are a minor ethnic group with strong ties to Rwanda.

While Tutsi have lived in Congo for more than 200 years, they are still seen by many Congolese as foreigners.

The motives of Mr. Kabila's backers vary widely. Many Tutsi in Rwanda wanted revenge on the Hutu militants who fled to Zaire after participating in the 1994 massacres of Tutsi in Rwanda.

Uganda and Angola were both tired of Marshal Mobutu's harboring guerrilla groups on their borders. The entire region was being dragged down by Zaire's abysmal economic performance under Marshal Mobutu's corrupt leadership.

Because the foreign military aid has been completely covert, the extent of the foreign interference in the civil conflict that has produced a new government and a new name, Congo, for the country Marshal Mobutu called Zaire, may never be made public.

But diplomats and U.S. officials say Congo's neighbors have played crucial roles in bringing Mr. Kabila to power, especially the Angolans and the Tutsi-led government in Rwanda. It remains to be seen what debts Mr. Kabila owes them.

"The rebel alliance has a guilty secret," one Western diplomat in the region said this week, insisting on anonymity. "Zairians didn't win the war. The Rwandans won the war for them. We don't know how they will be paid back."

Last October and November, Uganda and Rwanda played an active military role. On occasion both countries sent troops across the border to help secure a strip of the eastern part of the country, U.S. government officials say.

For the Ugandan president, Yoweri Museveni, the insurrection in this country was an opportunity to remove two rebel groups that had been mounting raids into Uganda.

To that end, in November and December, several thousand Ugandan soldiers, backed with tanks, participated in conquering the entire northeastern corner of the country next to the Sudan.

The Ugandans were heavily involved in taking towns like Watsa, Butembo, Bunia and Beni, diplomats and U.S. officials said.

Officials say the Ugandan troops never penetrated deeper than about 50 kilometers and withdrew by late January.

Rwanda's motive for aiding Mr. Kabila's forces was a desire to close refugee camps on the border that had become bases for Hutu guerrilla groups attacking Rwanda's Tutsi-led government.

Revenge was also a factor. Many Hutu militants in the camps had been involved in the 1994 genocide in Rwanda, and some began stirring up anti-Tutsi feeling in Zaire as well, which led to the massacres of thousands of Tutsi in Zaire. Tens of thousands of other Tutsi fled into Rwanda for safety.

Then in September, the governor of South Kivu announced that all Zairian Tutsi would be expelled from the country. The policy ignited a revolt among Tutsi, and within weeks Mr. Kabila's small revolutionary party, which is based in the province, had joined the rebellion, along with two other rebel groups.

Paul Kagame, the Rwandan leader, has consistently denied that his troops fought in Zaire at the beginning of the war, though he says Rwanda supports the rebellion in spirit. He has acknowledged only that some Rwandan regular troops crossed the border into Zaire during the battles for the towns of Goma and Bukavu, after shells were lobbed across the border.

But a senior Rwandan defense official, speaking on condition of anonymity, said Rwandan military advisers had operated in Congo since then, helping Mr. Kabila's commanders with strategy.

"The advisers are there," the official said. "We helped them morally, financially and militarily as well."

In addition U.S. government officials have said that most of the arms for the rebellion were shipped through Uganda and Rwanda.

The recruits were mostly Tutsi from eastern Zaire who had been driven into Rwanda a year ago after persecution by Marshal Mobutu's government. During the early weeks of the war, witnesses said they saw truckloads of soldiers coming into this country from Rwanda.

Several diplomats say Uganda and Rwanda never expected the rebellion to be so successful or move so quickly. The objective had been to secure a buffer zone and rout their enemies in Zaire. That done, they began to withdraw support.

But Mr. Kabila's movement had caught fire with a population tired of Marshal Mobutu's corrupt regime. The government army crumbled, fleeing city after city before the rebels arrived.

"We never thought the Zairian Army, with officers trained in France and the United States, even though cut off from arms supplies since 1993, would simply not fight," a French diplomat said.

As the rebel troops began to move farther and farther west, the Angolan government entered the fray, U.S. officials said. The government in the Angolan capital, Luanda, provided political support and training, but also contributed commandos, money, airplanes and arms, diplomats said.

During January and early February, for example, several giant Russian-built cargo planes registered in Angola were seen flying soldiers and arms from Luanda to the Rwandan capital of Kigali, U.S. officials said this week.

The officials said that as many as six battalions of men were flown into Rwanda and trucked into Zaire during this period, but stressed it was unclear if the soldiers were Angolan troops or members of the Katanganese Guards, Zairian rebels who have lived in Angola for years.

But Angolan troops did participate in the final push on Kinshasa last week, U.S. officials said. Between 2,000 and 3,000 Angolan soldiers in well-organized units fought in the battle for Kenge, 200 kilometers east of Kinshasa, in the last major battle before the fall of the capital, an American intelligence officer said.

"They were playing a critical role," the officer said.

Angola had a strong motive for helping the rebels. For Angola's central government, helping Mr. Kabila meant undermining Jonas Savimbi and the UNITA rebel group.

By removing Marshal Mobutu from power, Angola's president, Jose Eduardo dos Santos, aimed to take bases away from Mr. Savimbi. For three decades, Marshal Mobutu had allowed Mr. Savimbi to use this country as a haven and as a route for diamonds smuggled from northern Angola.

U.S. officials say Mr. Savimbi's troops also fought at Kenge — on Marshal Mobutu's side, but were defeated.

Zambia's aid to the rebels was more limited. The Zambian government, which has long complained of lawlessness on its border with Zaire, allowed rebel troops to move through its territory on their way to capture Lubumbashi, the capital of the southern Shaba Province.

## Kabila Weighs A Role for Foe Of Mobutu

*The Associated Press*

KINSHASA, Congo — Five days after proclaiming himself president, Laurent Kabila was in the difficult position Thursday of trying to satisfy the country's main opposition figure.

Hundreds of supporters of Etienne Tshisekedi, a militant opponent of the ousted dictator Mobutu Sese Seko, held a daylong vigil outside his Kinshasa home to support his bid to be prime minister in the new government promised by Mr. Kabila.

"We're happy Mr. Kabila drove out the regime of Mr. Mobutu, but we don't want to replace one dictatorship with another," said a Tshisekedi supporter, Oscar Kaboza-Bodika.

Mr. Kabila can ill-afford to anger Mr. Tshisekedi's supporters, who under Marshal Mobutu's regime proved their strength by calling strikes that crippled the capital and marches that led to fierce clashes between protesters and Marshal Mobutu's soldiers.

It was also doubtful that he would want to give too powerful a position to a man with little international respect, who is prone to rash moves and who has shown little inclination to compromise.

Many of those outside Mr. Tshisekedi's house warned that Mr. Kabila would face the same opposition as Marshal Mobutu if he failed to give their candidate the prime minister's post.

"It will prove he's a dictator just like Mobutu if he ignores the people's wishes," said Wamulumba Mulumba, standing before a portrait of Mr. Tshisekedi propped against the hedge surrounding his house.

Others said they thought it important that Mr. Kabila include others, if only to demonstrate his independence from the foreigners who apparently backed Mr. Kabila's fight.

"We want an autonomous Zaire," said Endi Dede, using the name Mr. Kabila discarded in favor of Congo.

David Guttenfelder/The Associated Press

**A Congolese rebel, wearing a leopard skin cap taken from the barracks of the Presidential Guard, commanding his troops Thursday in Kinshasa.**

## BRIEFLY

### Algeria Car Bomb Kills at Least 12

ALGIERS — A car bomb killed at least 12 people and wounded 31 Thursday in northern Algeria, two weeks before the nation's first legislative elections in five years, security services said. The blast occurred in Boufarik, 25 kilometers south of Algiers, and the casualty toll was expected to rise further.

The attack came midway through campaigning for the June 5 vote, the first such elections since a civil war with Islamic extremists broke out in 1992 following the government's annulment of polls that Islamic Salvation Front was poised to win. Western estimates 60,000 people have died in the fighting. *(AFP)*

### Kurds End Protest At UN in Geneva

GENEVA — Kurdish demonstrators ended an occupation of the European headquarters of the United Nations on Thursday after winning a fresh UN condemnation of Turkey's incursion into Iraq.

The 200 Kurds, whose demands included Security Council action against Ankara, held three hours of negotiations with UN officials in Geneva before leaving the premises peacefully, police and UN officials said. UN officials defused the crisis by reissuing a statement by the secretary general, Kofi Annan, in which he urged Turkish troops to withdraw "as soon as possible" and called on other governments to pressure Ankara to pull back.

Some 10,000 Turkish troops moved into Iraq last week in pursuit of Kurdish Workers Party separatists who use the area as a base to launch raids into Turkey. *(Reuters)*

### Iraq-Syria Road To Be Reopened

BAGHDAD — The main road linking Iraq and Syria will be reopened soon to handle Iraqi imports under its oil-for-food deal with the United Nations, a senior Syrian official said in a report Thursday.

Rateb Shallah, chairman of the Syrian Chamber of Commerce & Industry, told the Arab Ba'ath Socialist Party newspaper that the opening of the land link would be in the interest of both countries. The UN deal, which went into effect in December, allows Iraq to sell $2 billion worth of oil over six months to buy food and medicine.

He also said he had discussed reviving other trade and industrial ties with Iraq, all of which were severed during the 1980s, when Damascus sided with Iran in its war against Iraq. *(Reuters)*

### Haiti Postpones Senate Runoffs

PORT-AU-PRINCE, Haiti — Bowing to international pressure, Haiti has postponed Senate elections that were slated for Sunday. Instead, the voting will take place next month.

Alexandre Lavaud, secretary-general of the electoral council, did not explain Wednesday's decision, but a pro-government party, the Lavalas Political Organization, had threatened to boycott the vote after irregularities surfaced during the first round of balloting April 6. The party claimed that election officials were rigging the process in favor of former President Jean-Bertrand Aristide's Lavalas Family party.

Observers from the Organization of American States also said election officials had tampered with the first-round results. The runoff elections will be held June 15 or June 22, Mr. Lavaud said. *(AP)*

## IRAN: *2 Sides of One Coin*

**Continued from Page 1**

But Mr. Khatemi has been drawing large and frenzied crowds, particularly in Tehran where he is

popular among students and poor people. On Wednesday evening, an exuberant mob of more than 5,000 turned out to hear Mr. Khatemi speak at a mosque in east Tehran, waving placards and creating such a ruckus that plate-glass windows shattered.

"He's a moderate and he's going to develop the country toward the West," Moshallah Zadeh, a 25-year-old university student, shouted above the din. "He's going to guarantee that we'll have freedom of thought."

Iranian democracy has its limits. Candidates are screened for ideological purity by the Council of Guardians, a conservative clerical body, which also has the power to cancel election results without explanation. This year, the council rejected all but four of 238 presidential candidates. Besides Mr. Nouri and Mr. Khatemi, the other two candidates are Mohammed Reyshari, a hard-line former intelligence minister, and Reza Zavarei, deputy head of the judiciary, the only noncleric in the race.

Mr. Nouri enjoys the open support of key government ministers and state-run broadcast media and is widely believed to have the backing of Iran's supreme leader, Ayatollah Ali Khameini.

If Mr. Khatemi does pull off a victory in the first round — a possibility that is not discounted by diplomats and political analysts here — he will still be subordinate to Ayatollah Khameini and, for that matter, Mr. Rafsanjani, who will take over as head of a newly expanded consultative body called the Assembly for Diagnosing the Interests of the Regime.

For those and other reasons, the race has failed to generate much enthusiasm among liberal critics of the regime such as Dariush Foruhar, a lawyer and former labor minister, who now heads the outlawed but tolerated National Party of Iran. "I do not see any difference between them," Mr. Foruhar said recently while drinking a nonalcoholic beer. "The whole problem is the religion-oriented status of the government."

But within the narrow context of Iranian politics, the distinction between the two front-runners seems clear.

Although Mr. Nouri has tempered his views somewhat since entering the presidential race, his tenure as parliamentary speaker has been marked by hard-line views on social issues and relations with the West. He has strong support in rural provinces, from religious traditionalists and among Iran's powerful *bazaaris*, wealthy merchants whose prosperity depends on import and export licenses granted by the government.

Mr. Khatemi, by contrast, is considered something of a liberal by Iranian standards. Although he wears the black turban that identifies him as a descendant of the Prophet Mohammed, he has hinted at doubts about strict women's dress codes and a government ban on satellite television. His support is strongest among intellectuals, the urban poor and students — a vital constituency in a country where the voting age is 15.

Mr. Khatemi also has won the endorsement of pragmatists and "technocrats" such as Faezeh Hashemi, daughter of the outgoing president, and an outspoken advocate of women's rights who holds a seat in Parliament. "If we have only one line ruling over the country, then the country will face stagnation," Miss Hashemi told journalists. "There is a direct line between freedom and moderation."

Darko Bandic/The Associated Press

**Tehran residents passing a billboard featuring Ayatollah Ali Khameini, who as supreme leader will preside over the winner of the presidential election Friday. The late Ayatollah Ruhollah Khomeini is also shown.**

## INDONESIA: *Campaign Warning Signs*

**Continued from Page 1**

identity with Islam sets them apart from Golkar and the only other officially approved opposition party, the Indonesian Democratic Party. The latter has been greatly weakened following the removal last year of its popular leader, Megawati Sukarnoputri, and her replacement by a government-backed faction. She is barred from contesting the elections.

Golkar has been trying to offset the United Development Party's influence by courting Muslim intellectuals and lavishly funding mosques and schools for the Islamic community.

"What worries me is that the political contest is becoming very Islamic," a Western businessman with extensive experience in Indonesia said. "The United Development Party is the only viable opposition group just when people are really looking for one."

Since the campaign began April 27, more than 60 people have died in election-related violence, nearly all in traffic accidents caused by street rallies and motorcades that have taken place even though they are banned.

Yogie Memed, the home affairs minister, said recently that the street rallies were taking place "not because we tolerate them, but because we lack the security guards to stop them."

More troubling to many observers of the campaign has been the spate of clashes in Jakarta and other cities on Java between young supporters of the three contesting parties, and frequent attacks by those supporters on bystanders and vehicles that do not show the same political affiliation.

Arief Budiman, one of Indonesia's leading sociologists and political commentators, said that the campaign had been notable for the lack of tolerance of political differences and the degree to which violence had become "the language of politics."

He said most people did not expect the elections to change anything, while leaders of two parties that sought to introduce different political ideas but were not officially recognized by the government were in jail, accused of subversion.

Mr. Budiman said the government discouraged political tolerance in Indonesia. "What prevails is the pressure of uniformity in order to cement unity of this country," he said. "People have learned that if you want to play politics, you have to use power and violence, not intellectual arguments."

He predicted that Golkar would win about 70 percent of the vote.

In a recent report, Indonesia's Center for Strategic and International Studies said that as a result of tight government control over the election process, including the vote count and final tabulation, the 1997 election for 425 seats in the House of Representatives "does not give a ray of hope" for political reform.

"It is not surprising therefore that many people consider the general election is a mere formality and a waste of money," the center said.

## ARGENTINA: *Protesters Demand Jobs*

**Continued from Page 1**

guards broke up a roadblock set up by 200 sugar workers and their families, who are demanding new jobs after 4,000 layoffs by the company there in recent years.

More than 70 people were arrested Tuesday night in La Plata, capital of Buenos Aires Province, after the police fired tear gas and rubber bullets at hundreds of protesters. Most were students and street vendors, who refused to disperse and began throwing stones and setting up barricades.

The blocked road in Jujuy Province, a main artery between Argentina and Bolivia, was occupied by thousands of protesters seeking jobs in the neighboring province of Salta last week. There have been violent demonstrations in six other provinces this month.

Unemployment has risen sharply since the government of President Carlos Saul Menem took office in 1989 and adopted free-market reforms. The latest unemployment figures show that 17 percent of the country's workers cannot find jobs.

The unrest comes at the worst possible time for Mr. Menem's Peronist Party, which is trailing in polls as it prepares for congressional elections in October.

The administration initially sought to portray the unrest as the work of extreme leftist groups bent on overthrowing the government, but it abandoned that line after the violence spread so quickly and opposition parties accused Mr. Menem of "inventing the resurgence of subversion" as a political ploy.

Juan Pablo Baylac, a congressman with the opposition Radical Party, said that the protests reflected widespread disenchantment with the current economic policies and that the violence could get worse unless the government does more to create jobs and help the poor.

"Argentina's economic transformation is now hitting the lower middle-class sector, which had so far been spared," Mr. Baylac said. "These are people who had confidence in the future and who were accustomed to a certain level of comfort. But it is this new poor who do not adapt easily to this new economic situation."

The government, which has said it hopes to reduce unemployment by 2 or 3 percentage points this year, said Wednesday that it would not allow protesters to block roads.

## SANCTIONS: *U.S. to Punish 3 Asian Firms for Selling Weapons Technology to Iran*

**Continued from Page 1**

in targeted areas and specific economic reconstruction projects," including restoring communications and civil aviation. Mrs. Albright called on the international community to "re-energize its commitment to implement Dayton."

Under the new U.S. initiative, only those cities in Bosnia that allow displaced persons to return home would be eligible for international aid.

To help focus international attention on the Bosnian question, Mrs. Albright plans to visit the Balkans next week. She also announced Thursday that she would visit Vietnam and Cambodia on her way to Hong Kong for ceremonies marking the handover of the colony from British to Chinese rule on July 1.

After her announcement of the sanctions on the three companies, some critics in and out of Congress, including the House speaker, Newt Gingrich, Republican of Georgia, immediately called on Mr. Clinton to do more to influence Chinese behavior in several areas, including human rights, arms sales to the Mideast and trade disputes.

"The administration has to show that it is prepared to be tough with China," said James Przystup, director of the Asian Studies Center at the Heritage Foundation. He said he was unsure whether gestures like that announced Thursday could convince Congress that there was a new toughness, but added, "It'll sure be marketed that way."

The State Department said that the companies were being sanctioned under the 1991 Chemical and Biological Weapons Control Act for "knowingly and materially contributing to Iran's chemical weapons program." Companies in other countries — Australia, Austria, Germany, Italy and Thailand — have been punished for similar violations.

The Chinese companies cited were the Nanjing Chemical Industries Group and the Jiangsu Yongli Chemical Engineering and Technology Import/Export Corp. The Hong Kong company was identified as Cheong Yee Limited. Five Chinese citizens were also named.

The sanctions can be lifted after a year.

The State Department spokesman sidestepped the question of whether Chinese companies could be selling dangerous substances to Iran without the knowledge of their government.

Asked if Beijing could be unaware of such sensitive exports, Mr. Przystup replied, "That's a very hard thing to say — the economy's become so complex. I don't think, in any case, that this went up to a Politburo-level decision."

Secretary Albright was asked by a member of the Senate subcommittee, Robert Bennett, Republican of Utah, about naval intelligence reports that China was providing Iran land-based C-802 cruise missiles capable of attacking U.S. ships in the Gulf.

"We share your deep concern," Mrs. Albright said. "We have expressed our concerns to China."

But she did not directly confirm reports of the missile sales.

The United States has been attempting to improve relations with China on a series of fronts, even while remaining critical of its alleged transfers to Iran and Pakistan of missiles and equipment that can be used to make chemical weapons.

## BRIEFLY

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Some 10,000 Turkish troops [illegible] last week in pursuit of Kurdish Workers Party separatists who [illegible] a base to [illegible] Reuters

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BAGHDAD — The main road [illegible] will be reopened [illegible] imports [illegible] with the [illegible] Syrian officials [illegible] Thursday.

[illegible] chairman of the Syrian Chamber of Commerce & Industry, [illegible] Arab Socialist Party [illegible] that the [illegible] would be in the [illegible] The [illegible] effect in December [illegible] sell $2 billion [illegible] months [illegible] AP

### Haiti Postpones Senate Runoffs

PORT-AU-PRINCE, Haiti — [illegible] pressure, Haiti's Senate elections [illegible] Sunday. [illegible] will take place [illegible] secretary-[illegible] did [illegible] decision [illegible] party, the [illegible] nation, had [illegible] vote after [illegible] during the [illegible] April's. The [illegible] officials [illegible] party in favor of [illegible] Bertrand Aristide [illegible] Organization [illegible] elections with the [illegible] runoff elections [illegible] June 22. AP

### Protesters Demand Jobs

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*Q & A* / **Richard Lugar**

# Russia and NATO: Voice but 'No Veto'

*Senator Richard Lugar of Indiana, a ranking Republican member of the Senate Foreign Relations Committee, has taken a leading role in the emerging U.S. debate over NATO's plans to expand its membership; he led a recent Council of Foreign Relations task force on enlargement. Mr. Lugar spoke to Brian Knowlton of the International Herald Tribune about the recent NATO-Russia agreement and the progress of enlargement plans.*

**Q.** How important is the new NATO-Russia agreement?

**A.** The expansion of NATO is extremely important for our security and the stability of Europe, as well as for our friends in Europe, but we have an equal interest in the ability of Russia to become a democratic state, a nonthreatening partner, and we've invested a lot in that. The NATO-Russia charter is a part of that investment.

**Q.** Will it give Russia too large a voice in NATO affairs?

**A.** We're discussing with the Russians some problems that are legitimate for them to raise, but doing so in a way that says they will not have a veto over new members, over any policy of NATO, that the members can meet separately from the Russians. Yet a consultative mechanism has been set up which we believe is a "win" situation for Russia as well as for the stability of the arrangement.

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**Q.** Boris Yeltsin talks as if the Russians had a blocking ability.

**A.** My interpretation is they don't — no veto — but we add in the report of the task force I chaired that the parallel development of Russia is very important to NATO.

**Q.** One Russian official was quoted as saying that the NATO agreement would make it extremely difficult to get the Duma, Russia's Parliament, to ratify the START-2 treaty.

**A.** Well, they've been saying that for a long time. This is just another reason for delay.

**Q.** Some critics say the recent agreement merely papers over the real problems.

**A.** It's not a treaty, and it's not a binding agreement — maybe the language or the interpretations by the two sides lead to some ambiguity. Maybe that was deliberate in a way.

•

**Q.** Does this create a two-speed NATO, with the new member states — almost surely Poland, Hungary and the Czech Republic — having lower levels of protection?

**A.** We have to make sure that there are no second-class citizens, that in the very beginning, each of the new members clearly has the ability to defend itself and we have the ability, by shifting of forces, to come to their aid. That is one reason we counsel, don't finish the Conventional Forces in Europe agreementuntil NATO enlargement is settled.

**Q.** Some concern has been voiced about Chancellor Helmut Kohl's assurances to Russians that Germany will watch out for their interests within NATO.

**A.** His relationship is probably a constructive one in terms of our joint quest to bring stability to Russia. I don't see that anything's been lost by this.

•

**Q.** The likely new members are concerned that now Russia will have a voice in NATO, and not necessarily a friendly one, before they actually become members.

**A.** None of the new members ought to be given a status that is less favorable than Russia's during this period. In no way should they ever be in an unfavorable position.

**Q.** Are concrete steps needed?

**A.** We just have to keep saying, there will be no second-class citizens, if you're a member, this means the protection of Article V [of the NATO Charter] is available to you, that Russia has no veto, Russia cannot stop us.

•

**Q.** What about other countries seeking membership — the Baltic countries, Romania, Slovenia — that worry the next round of enlargement won't come soon enough?

**A.** Some distinguished American statesmen have said that after we get through this first thing, we ought to pause and see. Others have suggested that this ought to be the end. Well, that does bring great anxiety to the Baltics and to Ukraine. My own advocacy, and this is where the administration has been stalwart, is to say that any member of the Partnership for Peace is potentially a member of NATO. We remain open to name new members at any time.

•

**Q.** What do you expect when the question of enlargement comes to the Senate for ratification?

**A.** The final result will be ratification of the treaty, about a year from now. However, it will be a vigorous debate. Many in the Senate will say, why rock the boat? The 16 have worked well, there is no threat to anybody. Some would say beyond that, that if you add 1, 2, 3 members — heaven help us, 5, even 10 — this remarkable alliance is going to disappear in terms of its formidable qualities of cohesion and consensus. Still others would say, it is going to cost the United States a lot more money. A great and monumental bargaining will go on.

From time to time Russian statesmen will make statements that, everything notwithstanding, will strongly imply that they plan to veto what NATO is going to do, or intrude very greatly. We could have forks in the road where one Parliament or another of

Ray Lustig/The Washington Post

the 16 has questions. And we have a bloc of senators who are very suspicious of treaties — any treaty. They would say this is going to overextend the United States. And it could be that we'll be having the debate in the Senate not too distant from the withdrawal from Bosnia. Now what if we reach that moment and our allies are saying, you come out, we'll all come out. And some people will say, well, then, what is NATO all about?

This is a fairly hard sell. We're going to have a monumental debate. Thank goodness, we don't have a deadline for ratification.

# Clinton's Motives Behind Alliance 'Vision'

By John F. Harris
*Washington Post Service*

WASHINGTON — There was an ethnic war in Bosnia-Herzegovina, a refugee exodus in Haiti, a currency crash in Mexico.

For most of his first term, President Bill Clinton's foreign policy was defined by crisis.

Next week, however, marks a new chapter in Mr. Clinton's presidency. It will be his most prominent effort so far to convince allies in Europe and the public at home that his approach to the world is driven by a strategic vision, rather than by episodic responses to emergencies.

The vision, in this case, is Mr. Clinton's belief that the expansion of the NATO alliance to include the former Warsaw Pact nations of Eastern Europe is the way to ensure the long-term peace and stability on ground where two world wars were fought.

Starting Monday, Mr. Clinton will embark on a series of carefully staged appearances in Europe and the United States to make his case.

On Tuesday, he will join 15 European leaders at the Elysee Palace in Paris to sign an agreement with Russia that is aimed at calming Moscow's fears of NATO expansion.

The next day, he will be in The Hague with about 40 other European leaders to celebrate the 50th anniversary of the Marshall Plan that rebuilt Europe after World War II.

After a stop in London to meet Tony Blair, the new prime minister of Britain, Mr. Clinton will deliver the commencement address at the U.S. Military Academy. It will be at West Point, his aides said, that Mr. Clinton intends to make his case to a domestic

**NEWS ANALYSIS**

audience, in a more sustained way than he has so far, that taking on new military obligations in Europe is worth the cost.

NATO expansion, an issue that has mostly been debated only in elite foreign policy circles, will not go forward unless it wins passage in the Senate by a two-thirds vote, and administration officials acknowledge that they have a considerable sales campaign before them.

Next week Mr. Clinton will be casting his place in the world in decidedly grandiose terms. He will assert, according to his aides, that the expansion of the North Atlantic Treaty Organization is an achievement on the scale of what the Marshall Plan accomplished five decades ago in lifting European economies out of the rubble of war.

Where one plan saved Western Europe from collapse, administration officials said, the other will help erase the line that divided the Continent during the Cold War — "a sweeping, broad, historic, strategic objective," as Mr. Clinton's national security adviser, Samuel Berger, put it this week.

That boast is hyperbole in the eyes of some foreign policy analysts, who said that the expansion of NATO could just as easily spark a new season of hostility with Russia as stabilize Europe. Top officials in Moscow have already warned that the price of NATO expansion may be Russian failure to ratify the START-2 arms control treaty and make promised cuts in its nuclear arsenal.

But even skeptics of NATO expansion said Mr. Clinton could plausibly claim that the idea bears his signature, more so than with other things the White House has listed as successes.

"I think the administration is very eager to have a foreign policy initiative that it can call its own," said Ronald Steel, an analyst on the faculty at the University of Southern California, and a skeptic of expansion. "I think they were looking for something, so they came up with something."

John Lewis Gaddis, a foreign policy historian at Ohio University, said Mr. Clinton embraced the idea less from a thoughtful strategic assessment than as a response to domestic political pressures — blocs of ethnic East European voters in Midwest states who were clamoring to have their ancestral lands placed under NATO's umbrella.

On Wednesday, Mr. Berger and Strobe Talbot, deputy secretary of state, vigorously denied that domestic politics was the driving force behind the administration's support for NATO expansion. But there is no disputing that domestic politics are figuring in the effort to project Mr. Clinton's foreign policy in the best light at home.

Such White House aides as Rahm Emanuel, a senior adviser, and Donald Baer, communications strategist, are intimately involved in planning Mr. Clinton's appearances next week and in a second foreign trip in July, when the NATO nations will gather in Madrid to extend membership formally to the Czech Republic, Hungary, Poland and possibly other nations.

James Steinberg, deputy national security adviser, described Mr. Clinton's motives in lofty terms. "Given this relatively tranquil moment in history," he said, the question that drove expansion was: "How do you create the structures that will allow this to continue for the next generation."

# Virgilio Barco Is Dead; Colombia Ex-President

*The Associated Press*

Virgilio Barco, 75, former president of Colombia whose dream of combating poverty with land reform and other social measures was sidetracked by a war against drug barons, died of cancer Tuesday in Bogota.

When he took office on Aug. 7, 1986, one-third of his nation's 28 million people were living below the poverty line and an array of well-armed leftist guerrilla bands were carrying out attacks and demanding reform.

Mr. Barco made a valiant effort to carry out his economic and social reforms, but he was soon sidetracked by U.S. demands for the arrest and extradition of more than 100 drug traffickers, a demand that set off a wave of bombings, kidnappings and assassinations by the entrenched leaders of the nation's cocaine cartels.

After a wave of assassinations of public officials, he declared a state of siege in 1988, reimposed an extradition treaty by decree and began a full-scale war against the cartels, capturing or killing several high-level traffickers and extraditing a number of them to the United States.

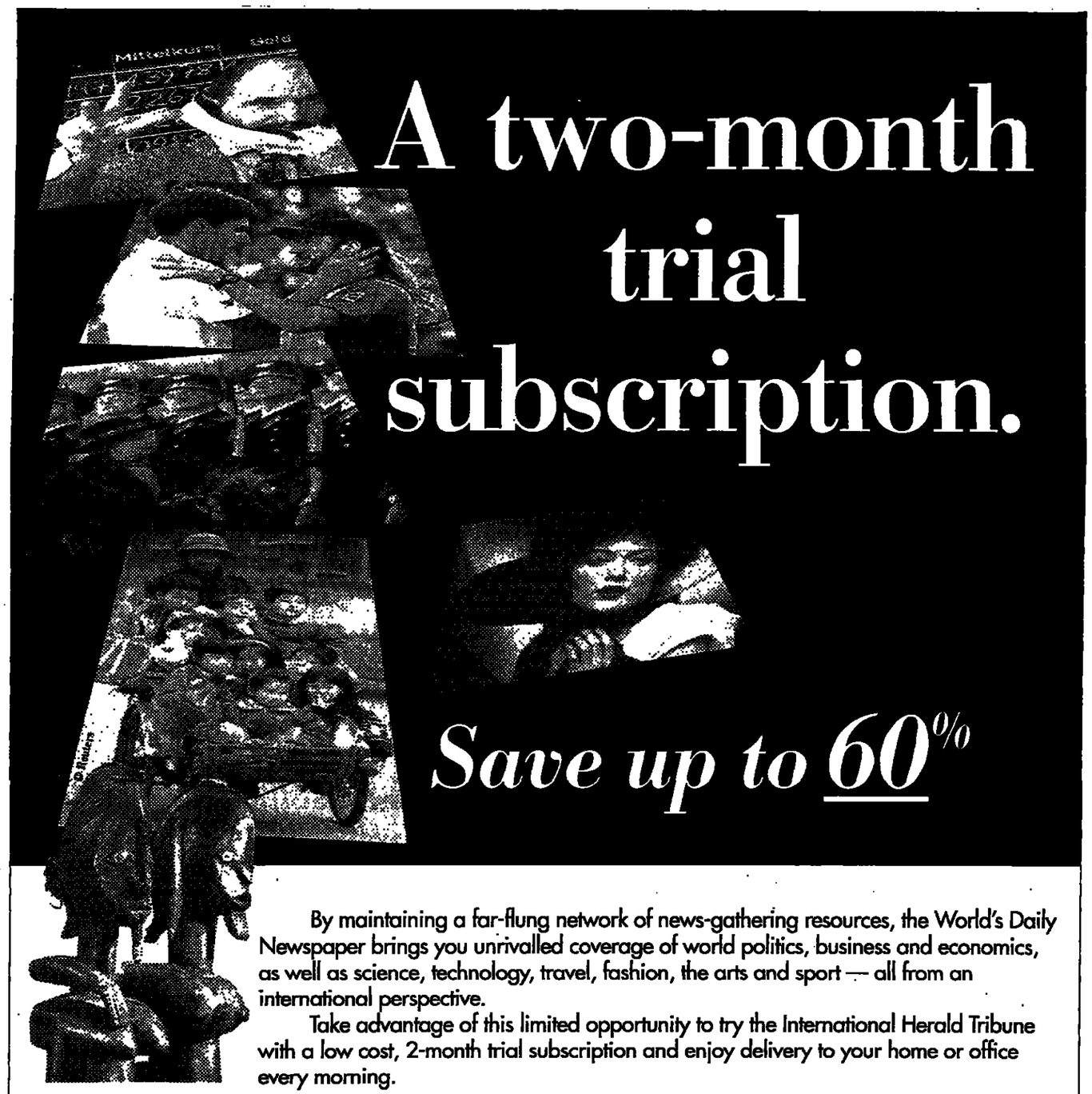
When he left office in 1990 the war was still raging, and although the most powerful and notorious trafficker, Pablo Escobar Gaviria, was killed in 1993, the power of the cartels was demonstrated in 1991, when the Colombian Congress overturned the extradition treaty.

Drawn into politics shortly after he received his degree from the Massachusetts Institute of Technology in 1943, Mr. Barco ran the Ministry of Communications and later served in both houses of Congress.

He became minister of public works and then of agriculture, acting minister of finance and ambassador to Britain before being appointed to a term as mayor of Bogota.

**Gordon Wies Reed, 97,** who for 22 years was chairman of Texas Gulf Producing Co., an independent oil and gas concern, died Saturday in Greenwich, Connecticut, after a brief illness, said his son, Thomas, a former secretary of the air force.

**Bernard Louis Gladieux, 90,** a former federal official who helped mobilize the United States for World War II, went on to advise a succession of cabinet secretaries and later helped build the Ford Foundation into a major global benefactor, died Sunday in Oberlin, Ohio.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# The Fed Will Watch

Wall Street is supposed to react with horror when the Federal Reserve Board cowers from raising interest rates in the face of a raging economy. But on Tuesday, when the Fed announced that it would keep interest rates steady, stocks soared and interest rates fell, a tribute to the market's faith in Chairman Alan Greenspan.

Under Mr. Greenspan, the Fed has presided over nearly uninterrupted growth with steadily falling inflation. His record now gives him the leeway to sit back and let the American economy grow without having to prove his anti-inflationary credentials by prematurely jacking up rates and slowing the economy down.

A year or so ago, economists debated whether the economy could operate at unemployment rates below 6 percent without driving up wages, then prices. Today unemployment hovers below 5 percent, while inflation stays below 3 percent. This good news puts the Fed in a policy predicament. It knows that its interest rate increases take a year or more to cool off an economy. If it waits until inflation visibly rises, it risks having to throw the economy into a tailspin to wring out the inflationary momentum. But by stamping out inflation before it appears, the Fed would forgo learning whether the modern economy can operate at permanently lower unemployment rates than in the past.

The Fed has decided to see how good the economy can be, allowing the unemployment rate to drop to the lowest rate in 23 years, 4.9 percent. But it could not have done so had Mr. Greenspan not firmly established his credibility as an inflation fighter by preemptively raising interest rates in 1994 to ward off an inflationary burst that he feared but that had not yet appeared.

Had bond traders feared inflation, they would have greeted Tuesday's nonaction by driving up long-term interest rates, which the Fed does not control. They did not. The economy now reaps the benefit of the Fed's record. At an unemployment rate of 5 rather than 6 percent, the economy is already operating with an extra 1 million jobs. The Fed has now said, in effect, that it is prepared to test how low the rate can go.

*—THE NEW YORK TIMES.*

# Palestinian Despotism

The Palestinian Authority has found many ways to harm its own cause during its brief existence, but few more damaging than Wednesday's arrest of Palestinian-American journalist Daoud Kuttab. Mr. Kuttab is a U.S. citizen running a U.S.-funded television station on the West Bank. His detention, and the authority's jamming of his network's broadcasts, are certain to put Yasser Arafat's increasing despotism squarely in the American public eye.

Mr. Kuttab's Al Quds TV is trying to be a kind of Palestinian C-SPAN, broadcasting unedited debates from the Palestinian Authority's Parliament — hardly seditious stuff, you might think. But some legislators there give speeches critical of Mr. Arafat; the official Palestinian Broadcasting Corporation never shows those, giving air time only to Mr. Arafat himself. Recently Mr. Kuttab discovered that the official television company was jamming his broadcasts. When he reported this discovery to Washington Post correspondent Barton Gellman, he was arrested — and Mr. Arafat kept right on blocking the broadcasts.

That Mr. Kuttab is a U.S. citizen of course does not make his arrest any more repugnant than the authority's jailing and torturing of other journalists, intellectuals and free thinkers. Fourteen Palestinians have died under torture by Palestinian Authority police. This march toward a police state is doubly sad because it is so unnecessary. Mr. Arafat assumed office with a popular mandate, broad international support and an opportunity to prove that Arab democracy is not an oxymoron.

But Mr. Kuttab's arrest, if not morally worse, is certainly more tactically stupid than many of the authority's other moves. At a time when political smarts would suggest that Mr. Arafat should be playing the role of spurned negotiating partner, he chooses instead to revive and exacerbate all the old questions about himself.

*—THE WASHINGTON POST.*

# Post-Dolly Prudence

With commencement speech season in full swing, President Bill Clinton has been using campuses as a place to talk about the ethical challenges posed by scientific and technological breakthroughs. At Morgan State University in Baltimore on Sunday, he predicted that the next half-century would be an "age of biology" whose medical and reproductive wonders, from Dolly the sheep to a cure for diabetes, will bring unheard-of benefits along with increasingly perplexing moral debates.

Nothing could illustrate the point better than last weekend's reports of heavy weather at the National Bioethics Advisory Commission, whose members, in the wake of Dolly's surprise appearance on the world scene, are trying to come up with recommendations for scientists on whether to ban experiments in human cloning.

The 18 commission members, struggling to meet a May 27 deadline, are reported to be moving toward consensus not on the large moral question — whether research on the cloning of humans should be encouraged as life-giving progress or banned as a cheapening of human identity — but, rather, on the narrower pragmatic judgment that experimenting with human cloning at this stage of the technology may carry an unacceptably high danger of producing severely malformed fetuses. This, a panel member told The New York Times, could provide the basis for asking private clinics to join voluntarily in the president's previously announced ban on human cloning experiments. It also would clear the way for recommending that the ban be continued on federal funding for such experiments.

President Clinton, at Morgan State, proposed four principles for evaluating how new technologies and their uses stack up against already agreed-upon common values — principles for, as he put it, making sure that the sciences "continue to serve humanity, not the other way around."

About new technologies, he suggested, we should ask whether they make life better for all citizens rather than for just a chosen few; their application should not interfere with basic principles of equal treatment and equality before the law; they should not help break down the privacy and autonomy of the individual citizen; and they should not be treated as if scientific answers alone could trump deeper convictions about what is valuable in life.

These are not bad starting points for a debate which, as the members of the president's bioethics panel no doubt would tell him, gets a lot more difficult the moment you get to examples.

Viewed in that light, the idea of proceeding modestly and basing one's recommendation on a straightforward safety question, not on an overarching moral principle, looks like an intelligent way to go. Nobody knows what, if anything, will come of post-Dolly-era cloning. It would be scientifically and morally reckless to pretend otherwise.

*—THE WASHINGTON POST.*

## *Other Comment*

### Japan Still Isn't Ready

This spring, 150 lawmakers, including two cabinet ministers, visited the Yasukuni shrine. Asians are rightly uncomfortable when Japanese leaders visit a site that honors executed World War II war criminals.

Prime Minister Ryutaro Hashimoto's predecessor tried to exorcise the war era demon from Japan's soul, but the apology was half-hearted and not followed up by any concrete action, such as getting Japanese textbooks to stop whitewashing Japan's wartime atrocities in China.

The irony of Japan's revisionism is that at a time when the region is ripe for Japanese leadership, it sows suspicion among neighbors about Japanese motives and thus renders itself an ineffectual player on the world field.

*— Far Eastern Economic Review (Hong Kong).*

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# *Help to Make This the End of an Era for Africa*

By Flora Lewis

HARARE, Zimbabwe — The fall of Mobutu Sese Seko, and the arrival of a new regime in what has once again become the Congo, have wide implications in Africa.

Government leaders and businessmen gathered here for the World Economic Forum's Southern Africa Economic Summit are cautiously discussing the lessons, for their own countries but also for the Western states which helped keep the monumentally greedy dictator in power for 32 long years.

Those have been very bad years for most of Africa, left further and further behind while other parts of the world have prospered. More and more awareness is spreading that bad governance must bear the bulk of the blame.

Political leaders remain loath to criticize each other, for fear it will boomerang. But those without official titles are increasingly outspoken. Dictators, they say, have to realize that if they don't step down in good time, they will be thrown out.

Far from complaining about outsiders mixing in their sovereign independence in domestic affairs, the complaint is that democratic developed countries did not intervene enough in favor of the people.

There is not much talk about the "African way" now — more about the need for responsible democracy, not only honest elections but development of a solid constitutional framework and the rule of law.

Trevor Noube, the independent-minded editor of Zimbabwe's daily The Independent, says: "If you're going to modernize, don't go halfway. We're on the Internet, read around the world." He calls for classic Western-style democratic institutions, including separation of powers, civil rights and a judiciary free to guarantee them, and he wears a Western-style suit with shirt and tie.

"I'm proud of it all. I'm for universal values. Claiming some kind of special African exception is just an excuse for those determined to cling to power."

Mr. Noube is part of a rising generation, people in their 20s and early 30s who have quite different ideas from many of their olders. There is a network of them in the countries of the region, and they argue for liberalization of the economics as well as the politics, urging enterprise and denouncing corruption that has proved so costly and demeaning.

They would like help from the industrialized countries, not only investment and skills, including management, but also anti-corruption rules.

An American businessman here says he is grateful for the U.S. law which makes it a federal crime to pay bribes anywhere, and finds that the locals respect him for it.

It would make a big difference if other major countries adopted the same kind of national laws, instead of encouraging bribery by considering it a tax deductible business expense. This is something that the World Trade Organization ought to take up as unfair competition.

President Nelson Mandela of South Africa, who is everybody's hero in this part of the world now, welcomed the change in ex-Zaire, although he did not say anything about repatriating the hidden billions of national wealth that Mr. Mobutu stashed abroad. Nobody believes the contention of Swiss banks that they have none of the money.

It will be up primarily to the United States, France and Belgium, which played a big role in enabling him to steal the money, to track it down now. But other African governments should also bring what pressure they can.

Congo is potentially a very rich country. But it has been totally ruined, and will have to create an administration and infrastructure from scratch. That will take a lot of funds. If the country begins to succeed, it can have an important impact on development in the whole of the region.

Mr. Mobutu was by no means the last of Africa's dictators. Indeed, nobody pretends to know what kind of rule Laurent Kabila is likely to provide. But the fall of Mobutu, as one of the outrageously worst, is considered encouragingly symbolic, and it does finally put an end to an era.

"It's like the end of the Berlin Wall," said one Western diplomat. "He was the last major African figure left from the Cold War and our obsession with fighting communism above all else on this continent. Now we can get on and pay attention to the needs of the people here."

Can. But will?

There is a gradual change of atmosphere, no breakthrough yet by a long ways but a growing demand for business, for investment, for economic growth that will improve living standards, and a growing understanding that economic growth is the condition for political stability and also that it depends on peace and political freedom.

The tendency to write Africa off as hopeless has always been dangerous. The best buttress is the insistence of a new, educated generation on promoting their opportunities and vibrant societies — no longer looking for foreign culprits to blame, but seeking responsibility for themselves.

*© Flora Lewis.*

# Pacific Asia Has a Distance to Go Before It Leads the World

By Gerald Segal

HONG KONG — With Hong Kong in the last few weeks of British rule, there is a new mantra doing the rounds. It suggests that the handover to China symbolizes the baton passing from the Atlantic world to Pacific Asia.

Yet it is far from clear that the baton will pass smoothly. And to whom will it pass, anyway?

There can be little doubt that Pacific Asia is the most dynamic part of the global economy and is likely to retain that status for at least for the next five to 10 years. But who in the region is accruing the power that is supposed to follow sustained economic growth and rising prosperity?

The answer used to be Japan. When it began taking a more active role in international economic institutions in the 1980s, it seemed obvious to have a Trilateral Commission or a Group of Seven industrialized nations with Japan as the Asian member. But since the Japanese economic bubble burst, it has become clear that Japan is merely a normal power with normal problems in sustaining growth in a postindustrial society.

Now that China has grown faster than any country before, the talk is of the baton passing to China and ethnic Chinese in other countries in Pacific Asia — an extended Greater China. Yet the ethnic Chinese are far from monolithic, and China is a long way from being a Japan-like, status quo economic power committed to open multilateralism. That is why some people worry about an unregulated Chinese bull in the World Trade Organization shop.

Neither is it clear how military power may be passing to Pacific Asia. The relative predominance of the United States in the region has increased since the end of the Cold War after the breakup of the Soviet Union. Only China seems capable of becoming a peer competitor.

Yet as the revolution in military technology gathers pace, the gap between China and Western powers appears to be growing, not shrinking. If China does become a peer competitor of the United States, it will ensure that Pacific Asia divides into pro- and anti-Chinese camps.

In political terms, the fading of the hype concerning Asian values suggests that Asians realize they have no inherently cultural answers to the problems of modernity. The rising crime and divorce rates that accompany the transition to the postindustrial world cannot be avoided in Pacific Asia, just as there seems to be an inevitable link between growing political liberalism and economic prosperity.

Pacific Asia's ability to compete in a knowledge-based world would be more convincing if some countries in the region were faster at moving into the world of information technology and others were less inclined to try to regulate the media. So long as the key innovators and brokers of the software revolution continue to be born in the United States and Europe, it is hard to feel confident that Asians are rising to the challenge of mastering information technology.

As new international arrangements are being made in this field, for example to agree on a system of Internet names and rules of the superhighway, Asian countries and companies are little more than bit players.

Asians may complain that the Atlantic world has set the rules of the old international order, but when they have a chance to shape the new order, the people of Pacific Asia are nowhere to be seen.

Will Asian countries complain in 10 years' time that the world of global information was shaped by Westerners without their consent? If so, they have only themselves to blame. To compete, they need liberal and open societies.

Another major reason why Pacific Asia is unable to shape the new structures of global power is its failure to get organized. There is no equivalent in the region of the United States or the European Union that can speak for a strong, cohesive political bloc.

Should China take charge, the region will be divided. Without China in charge, it will remain divided. So where does the baton fall after Hong Kong's handover?

*The writer, a senior fellow at the International Institute for Strategic Studies and director of Britain's Pacific Asia Program, contributed this comment to the International Herald Tribune.*

# A Brutal Letdown for Palestinians Who Expected Freedom

By Fawaz Turki

WASHINGTON — We were wrong. We Palestinians were wrong about Yasser Arafat and the "national authority" that he has foisted on the autonomous zones he controls in the West Bank and Gaza.

Not quite four years ago we watched this man on the White House lawn as he signed the Oslo agreement and shook hands effusively all around. The overwhelming majority of Palestinians rejoiced at the spectacle. This was to be our first step toward statehood, our chance, at last, to be the determining force in our destiny.

Those activists among us, democrats and patriots all, looked forward to building a community of laws and institutions, governed by a social contract between ruler and ruled, checks and balances, accountability. We had fought for independence, and lived through unspeakable suffering too long to settle for anything less. To end up creating yet another dreary *dawla*, or Arab state, known dismissively in Palestinian idiom as *istiqlal* (a term connoting frivolity, nepotism, coercion and violence) would have been a cruel terminus to our struggle.

We had no illusions about Yasser Arafat himself, this man of dubious background who had not read a half-dozen decent books in his life, nor grown with his job. We often cringed at his lack of élan, his vaudevillian ways and his penchant for one-man rule, just as we were scandalized by the excesses of his officials in the old glory days of the PLO, who had made a fetish of traveling on the Concorde with Samsonites full of cash.

But we believed that once the institutional machinery for statehood was in gear, the aggregate of popular culture would lead to stability and, finally, meaningful independence.

We were dead wrong. No one could prophesy the true measure of the dissolution of civil society, of civilized norms, of human hope, that was to come.

Yasser Arafat arrived in Gaza in 1994 with a group of men carrying not shovels but guns. He created nine intelligence services and a police force of well over 30,000 men, presumably more policemen per capita than any country in the world.

The Palestinian Authority's first order of business was to pursue those figures regarded by any civilized society as central to the health of the body politic. The heretical editor was silenced, the human rights activist was hounded, the recalcitrant labor unionist was jailed, and the innovative intellectual was harassed and beaten.

Those others, who represented through their literary effusions the adversarial current in the community, individuals whose necessary role in social life is to seek an articulation for the fragile plurality of human nature and conduct, have had their heads hit when they were lifted and their voices silenced when they were raised.

To date, 14 Palestinians have died under torture at the hands of thugs (no other word will do here) from the dreaded intelligence services.

Although the Palestinian Authority has scant respect for the life of the mind or for the value of dissent, its fear of them knows no bounds.

There is a perversity in all of this that goes beyond one's repugnance at the use of repression to stifle the public debate. It tells us something about the semi-literate oafs who make up Yasser Arafat's ruling elite.

With the Oslo agreement, we were at last to free ourselves, if progressively, from foreign occupation, not because we had represented a military threat to Israel — truth be told, the PLO was as dangerous to Israel's existence as secondhand smoke — but because the international community, including the United States, had to come round to that recognition.

For Palestinians, expectations of progress, of personal and social enfranchisement, moved closer. Independence took on the urgent drama of concreteness, of a dizzying sense of total possibility.

That was four years ago.

Now the United States, notorious over the years for underwriting the survival of two-bit dictators around the world, has latched on to yet another one of these in the person of Yasser Arafat, whose woeful disregard for the human rights of his own people Washington continues not only to wink at but to urge on him, presumably in the name of stability in the territories.

One thing is plain: Yasser Arafat has unleased destructive forces, dug up from the depths of the coercive tradition, that are destined to stifle our dream for living as free men and women.

After our costly intifada against those who had occupied our homeland, it now appears that we have to wage another intifada against those who occupy our home.

*Fawaz Turki, a Palestinian writer living in the United States, contributed this comment to The Washington Post.*

# *Swiss Neutrality Was a Fraud*

By Thomas L. Friedman

NEW YORK — The U.S. government report on how the Swiss aided the Nazis in laundering looted gold during World War II contains many useful lessons. The most important is about "neutrality," and how the Swiss version was a moral fraud.

The cynical form of neutrality is to stay out of a war but do business with all sides to enrich yourself. That was the Swiss in World War II. It is all contained in the impressive U.S. study on Nazi gold assembled by Undersecretary of Commerce Stuart Eizenstat and the State Department historian, William Slany.

The Nazi theft of gold from the central banks of countries they occupied, and from the teeth of Jews they butchered, was a concerted strategy. Because Nazi currency was useless elsewhere in Europe, the central way the Germans could buy war materials was by taking looted gold and selling it to Swiss banks. Those banks gave the Nazis Swiss francs, which they could use to buy goods in Spain, Portugal, Switzerland or Turkey.

Willingness to turn Nazi plunder into Swiss francs helped prolong the war and make Switzerland the richest country in Europe by 1945.

One might be able to understand Swiss laundering of Nazi gold at the start of the war, when German tanks could easily have overrun them. But they continued long after the Nazis were a threat.

After the war, the Swiss denied having received any looted Nazi gold. Finally they agreed to return $58 million of the roughly $275 million in gold (worth $2.5 billion today) that the Swiss National Bank had obtained from the Nazis.

In 1949, when the Swiss were still stiffing the Allies, they did allow the Polish government to recover assets in Swiss banks of heirless Poles murdered by the Nazis. Why? So the Poles could use the cash to pay back the Swiss for money lost when Poland nationalized a few Swiss companies during the war.

The Swiss promised to liquidate the German assets they held and hand them over to Holocaust survivors and to a fund for rebuilding Europe. But they argued over exchange rates, raised one obstacle after another, and then refused to make an exception for the assets of murdered German Jews, insisting that their assets in Swiss banks had to be liquidated as well.

Eventually, in 1952, the Swiss turned over $28 million in German assets out of what may have been $750 million.

The current generation argues that it is unfair to judge it by the acts of its elders. That is right. This Swiss generation should be judged by whether it does the right thing now.

They have a chance to meet history again. The government is planning to ask the Swiss people to vote on the creation of a fund for war survivors. The people need to back that fund — and with more money than is now being proposed.

The three largest private Swiss banks, and the Swiss National Bank, have set up a $186 million fund for Holocaust survivors. That sum, too, is embarrassingly low considering how much Swiss banks and companies profited from the war. Also, there are hundreds of other Swiss banks still refusing to pay a dime.

Most importantly, one hopes that the Swiss will rewrite their history. That means acknowledging that the Nazis used the Swiss to launder stolen gold, and that the Swiss used the diplomatic concept of "neutrality" to launder themselves.

We would always like to believe that in a polarized world there is one safe haven — above the fray, neutral and fair, reliable as a cuckoo clock. We thought that was Switzerland. But Swiss neutrality was a fraud, pure and simple.

Swiss neutrality has no past. Only this generation can determine if it has a future.

*The New York Times.*

## IN OUR PAGES: 100, 75 AND 50 YEARS AGO

### 1897: Cure Stirs Hope

PARIS — Serotherapia has given the most unbounded hopes. Already diphtheria and the plague have been throttled by it: and the day is doubtless not distant when cholera, yellow fever, typhoid fever and perhaps even tuberculosis will no longer resist its action. A feverish ardor animates those on the trail, and the gloom of the laboratory alone hides the patient and captivating researches which will result in the production of the cures of the ills that decimate our race.

### 1922: Managua Taken

WASHINGTON — American marines have taken possession of the fortress of Managua, Nicaragua, which had been seized by insurgents who were seeking to overthrow President Chamorro. The insurgents turned over the fortress to the marines following representations made by the United States Minister. The insurgents insisted that they were friends of the United States and that their aim was only to bring about the dismissal of the president and the constitution of a new cabinet.

### 1947: White Rule

GREENVILLE, S.C. — All twenty-eight defendants in the Greenville lynching trial were acquitted. The men were accused of lynching a Negro, after he allegedly stabbed to death a white taxicab driver. The judge had charged the jury not to let race prejudice color their deliberations, nor to let the lynch victim's own act of stabbing to death a white man excuse the lynching crime. There was ample evidence that the verdict was construed as meaning the upholding of the ancient unwritten law of the South — that no white man shall be punished for lynching a Negro.

# OPINION/LETTERS

## A Jokey Scoop So Scummy It Isn't Funny

By Richard Cohen

WASHINGTON — The mind of a columnist is always in the tumble cycle. Scores of opinions, all of them strongly held and true to an astonishing degree, vie with one another for attention. But today I will deal with an issue that has, frankly, stuck in my craw: the public mortification of Frank Gifford.

Mr. Gifford, the football sportscaster, was caught by the supermarket tabloid the Globe in a hotel room with a woman not his wife — a former flight attendant named Suzen Johnson. He reportedly gave her his private telephone number, and after a long while they met at the Regency Hotel in New York.

I leave most of the details to others, but there are two I want to highlight. Ms. Johnson, my colleague Howard Kurtz has revealed, was paid at least $75,000 by the Globe to do whatever she did with Mr. Gifford, and have it all videotaped. There is no evidence that Mr. Gifford was ever intimate with the woman before that tryst on April 30, or that she was in the room for any other reason than to make some easy money.

The time has come, I think, to concede that this whole affair is permeated with the clucking sound of chickens coming home to roost.

For many inexplicable years, Mr. Gifford's wife, the sanctimoniously cloying Kathie Lee Gifford, has been talking on her television show, "Live With Regis and Kathie Lee," about the stupendous wonderfulness of her marriage. She has, she has asserted, the best two kids in the world, Cody and Cassidy, and the best two family dogs, Chardonnay and Chablis.

As for the Gifford marriage itself, it's right off a Hallmark card. It is so perfect a union that the couple has appeared in an infomercial called "Growing in Love." Their sex is always sublime, their partnership just swell and their Christmases, I assume, always white.

Needless to say, they both take a dim view of adultery. Not in her marriage, Kathie Lee has vowed.

Yes, I understand. How delicious. But also how outrageous. If, indeed, the Globe paid a woman to have sex with a public figure so that he could be exposed for the presumed benefit of the paper's circulation numbers, then we have hit a new low both in journalism and in American life.

And yet, in both the press and on the radio this whole episode has been treated as just a stitch. I heard a Globe staffer interviewed on a Washington radio station, and people were just laughing themselves sick.

But what, I ask you, is the difference between what Ms. Johnson allegedly did and what your average hooker does on a routine basis? The New York district attorney's office tells me that "a person is guilty of prostitution when such a person engages or agrees or offers to engage in sexual conduct with another person in return for a fee."

When I talked to the district attorney's office, I got the distinct impression that it thought it had better things to do. So be it. But if the tacky press in the United States is going to emulate its British cousins, then public life will suffer even more than it already has. Who is going to want to go into politics if the risk of public ridicule is great and the reward is the honor of running up legal bills on the scale of a Mafia don?

I know, I know. Do the right thing, and you won't have to worry. But some things, while wrong, are nevertheless private matters — deeply personal and totally unrelated to the job at hand. Aging men may be fools, but they are not a public menace.

Journalism is not a science. It is a craft ruled by the iron law of "It Depends." Sometimes you run a story and sometimes you don't, and the reason depends on many factors. But when a newspaper pays a woman to entrap a man, that is not journalism at all. It is scummy, not funny, and indistinguishable from pandering.

Late in his career, Mr. Gifford was grievously fouled, and the joke was supposed to be on his wife. Next time it will be someone else, maybe an honored politician — and then, when public life is degraded, the joke will be on us all.

*The Washington Post.*

## When Zaire Didn't Seem to Make The Really Worst Big Leagues

By John Vinocur

PARIS — There once was a special box on the journalistic checklist for southern regimes run by men of dark reputation. It was the did-you-know-that-the-wife-of-an-American-diplomat-was-just-raped-near-the-tennis-club test, and it held that This Awful Place (Kinshasa, Managua, Asunción, etc.) could not be ranked in the really bad big leagues, its regime a candidate for total vituperation, unless the story was heard and the box checked within 36 hours of a hack's arrival.

Bottom line: The expectation of evil, or its presumption, has often obliterated all else in reporting from places with phosphorescent skies and mean governance.

I got to Paraguay under Alfredo Stroessner at midmorning, its capital smelling magically of orange blossoms, and heard the rape story before lunch was over. In Zaire, the first time, with the air more coated with sewage than with the fragrance of fruit trees, there were scheduling problems; the ritual waited all day till an embassy reception at dusk.

**MEANWHILE**

Repugnant as it may be, the stories that go down the best, in both human nature and the papers, are often the ones that confirm the most people's prejudices. I can't offer that stuff here, not about Kinshasa. I lived there for seven weeks in 1974, covering the heavyweight championship fight between Muhammad Ali and George Foreman.

The then recently renamed Mobutu Sese Seko was in power, and the then recently renamed Zaire River flowed tirelessly, lily pads and clumps of hyacinths bobbing on its brown wavelets. I quite loved the place.

These past weeks, there has been an unexpected confluence of events concerning the banks of the Congo, renamed one more time. Marshal Mobutu's downfall has coincided with the opening to rave reviews in Europe of "When We Were Kings," winner of the Oscar this year for documentary films, which tells brilliantly about the fight, and a bit less so about Zaire back then.

I do not want to be put in the position of the guy who describes Kinshasa '74 as a great sports moment in the manner of the 1936 Olympics in Berlin, the barbed wire camouflaged by the swastikas, and I certainly do not want to give a jot of assent to the idea that Mobutu was a kind of pre-democratic African unifier holding together the West's impossible colonial legacy in the face of people with agendas more corrupt and cruel than his own.

But things didn't really happen the way the movie suggests — B. B. King and James Brown riffing nightly for the brothers, boomlay boomlay boomlay, while dark forces left the stadium floor soaked with sacrificial blood.

Kinshasa in 1974 was riding a boom in copper prices, and the city jerked and bounced and sweat all day, caught up in a noisy optimism that it was the capital of the country emerging as Africa's natural leader, enormous, rich and still far from being robbed blind by Mobutu Sese Seko.

The rest of Africa tuned into Kinshasa's radio stations at night because its music was the best. Two casinos, staffed by croupiers from London, embraced diamond traders in for a toot from Lubumbashi, and Air Zaire's 747s headed for Brussels or Paris almost every day. Outside my hotel, rows of young women for hours sang songs of praise to Marshal Mobutu. This seemed crazy but not yet obscene, because he ran Zaire, this country whose potential was more real than wishful, an immense brass ring with maybe a handhold for just about everybody.

Putting up the money to stage the fight, and showing it could be televised to the world from the heart of Africa at four in morning seemed, on reflection, a better PR investment for Mobutu than sponsoring Evel Knievel's leap across the Grand Canyon on a motorcycle.

The esteemed Norman Mailer, in narrating the film, recounted that Mobutu's police had prepared for the big event by rounding up a thousand of Kinshasa's best known thieves and miscreants, herding them into cells under the stadium, and then executing one out of 10 so as to set an example of decorum before the arrival of fans from abroad.

The film version represented a departure from the numbers in Mr. Mailer's excellent book "The Fight" — it had 300 arrested and 50 offed, and even (with a straight face) a diplomat's-wife-just-raped account.

Under the vows of diligence then required by my employer, The Associated Press, I tried hard to back up the story which Norman, like everyone else, had virtually picked up with his press kit. No go. For all of the crimes heaped on the old dictator's account, I could not vouch for this one. And I was there.

Being there, I got to superimpose Mobutu's personality on Ali's, and the marshal could claim none of the boxer's sense of humor or distance from himself.

Mobutu in those days had concocted an ideological campaign called Authenticity, whose centerpiece was the *abacos* (from *à bas le costume*, or down with suits), a Mao/Nehru jacket meant to de-Westernize the wearer and turn him into the new African man. When I asked him how this was going to work in a place where so many people lived in rags, I did not get an answer, or even a glower.

Ali, on the other hand, ranted deliciously, but it always seemed to me there was something slyly self-deprecating about his most manic bragging.

I got back to Kinshasa in 1983 and it had turned bad. Copper prices had gone through the floor, and memories of the fight had exited with them. When I wanted to go out for an evening walk, I was told by the concierge at my hotel that I would need a guard. I was assigned a small man, in shorts, with a stick. We walked around the block. When we got back he asked for a tip.

*International Herald Tribune.*

## LETTERS TO THE EDITOR

### Swiss and Neutrality

The U.S. government report by Stuart Eizenstat, the undersecretary of commerce, on German assets has been generally praised in Switzerland, although it seems to have omitted too many aspects of the situation.

But what is most objectionable about the report is Mr. Eizenstat's personal comments. The report implies that neutrality is moral weakness, but it fails to mention that the vast majority of Swiss people were deeply hostile to Nazism and determined to defend themselves should they be attacked.

Dominant countries tend to identify their views and interests with morality, while neutrality has often been equated with moral indifference. But neutrality is not a moral position; it is just an abstention from war, for reasons connected to national survival or vital interests.

Neutrality is the only feasible policy for a country such as Switzerland, made up of various cultures and religions. It saved Switzerland during World War II.

Passing judgment on foreign countries, especially after over 50 years, is not good foreign policy for the United States. It has nothing to fear from Switzerland, and certainly not any foolish act that might lead to war. Is this reason enough to lash out at us?

ANDRE MAILLARD.
Cologny, Switzerland.

*The writer is a former Swiss ambassador to Turkey.*

The Swiss were not neutral during World War II, but they did not favor the Nazis — they favored the Americans and the British. That Switzerland did business with Germany was not a question of sympathy, but of survival.

The Swiss have no feeling of guilt. They made no illegal gains and did not steal any assets. Therefore, they are in favor of any examination of the past, expecting that it would be done fairly.

The threat of sanctions, however, will not make the Swiss more open, but rather will have the opposite effect.

HANS U. BOHL.
Bürglen, Switzerland.

### Torture Is Unjustified

*Regarding "Interrogation Methods in Israel Are Justified" (Opinion, May 20) by Stephen Flatow:*

The theory that the end justifies the means that Mr. Flatow is advocating is as old as Adam and Eve. "Moderate physical pressure" is nothing other than a technique of torture that Israel uses on Palestinian detainees to extract information. It is a violation of human rights regardless of the circumstances.

The argument that it is permissible to violate individual human rights when this is done to save lives is based on a tenuous assumption. How can one be sure beforehand that the suspected terrorists and political detainees who are subjected to torture have, in fact, any critical information to provide?

Rather than seek justification for human rights violations in Israel, free thinkers should uphold the basic principles of human rights and demand compliance in Israel and throughout the world.

S. A. SHERIF.
Montreux, Switzerland.

Mr. Flatow seeks to justify Israel's torture of Palestinian prisoners on the grounds of the country's security. The plain fact is that Israel is subject to no external threat. The only threat is what it calls acts of terrorism.

That threat Israel can eliminate at any time by simply living up to its obligations under its agreement with the Palestinians themselves, and under its many explicit commitments to the United States. Instead of trying to justify the unjustifiable, Mr. Flatow would be better advised to encourage the Israelis to do just that.

J. C. DIXON.
Paris.

### Policy on the Caspian

*Regarding "Caspian Access Is Crucial for the West" (Opinion, May 10) by Caspar W. Weinberger and Peter Schweizer:*

Mr. Weinberger and Mr. Schweizer hit the nail on the head by pointing out the shortcomings of a U.S. foreign policy that has failed to recognize the importance of an evenhanded approach to the conflict between Armenia and Azerbaijan. More importantly, they address what is at stake in Washington's failure to recognize its strategic and economic interests in the Caspian area.

While Americans can be jubilant over the enlargement of NATO, they may be about to lose in the Caspian arena by allowing Iran and Russia to have free rein over this strategic area. Congress should put American and Western interests ahead of the Armenian ethnic lobby interests.

JOHN ROBERT ALPAY.
Hassi-Messaoud, Algeria.

### Beyond Adultery

The case concerning First Lieutenant Kelly Flinn is not about adultery. It's about dealing with an air force officer entrusted with great responsibility, who proved repeatedly that she could not be trusted.

Breaking the law on adultery was bad enough, but Lieutenant Flinn might have been forgiven had she not lied about her actions and disobeyed an order to stay away from the married man.

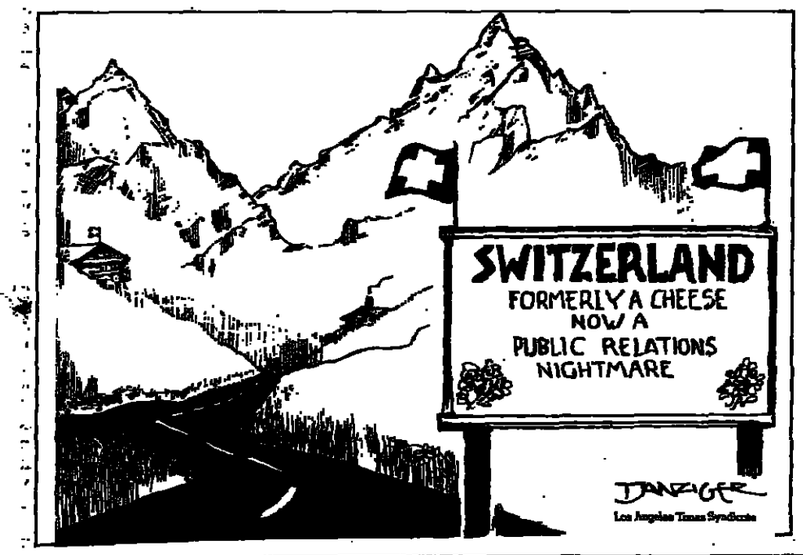
Lieutenant Flinn was educated at taxpayer expense at the U.S. Air Force Academy, trained to fly, and vested with a trust that she violated.

Now the media coverage seems to suggest that she is a victim, and that the air force leadership is wrong to hold her accountable for her actions. I don't blame the air force for believing it can no longer trust her with serious responsibilities, especially associated with nuclear weapons.

Responsible reporting would begin with an acknowledgment that Lieutenant Flinn's illicit relationship came to the attention of the air force's legal system in a way that it could not be ignored, and that an investigation had to be conducted.

The media should stop focusing on the adulterous relationship and trying to paint the U.S. Air Force as a misogynous or puritanical institution. We all wish Lieutenant Flinn wasn't in this predicament. But her own actions and poor judgment got her there. The only question is: Will she get a general discharge like everyone else in her situation, or will the air force be pressured into giving her special treatment?

MARK A. BUCKNAM.
Northwood, England.




## BOOKS

### NAKED TO THE BONE: Medical Imaging in the 20th Century

*By Bettyann Holtzmann Kevles. Illustrated. 378 pages. $35.95. Rutgers University Press.*

Reviewed by
Christopher Lehmann-Haupt

ONE of the hardest challenges of understanding the past is imagining what life was like before some revolutionary innovation occurred: how American prose read before Hemingway, for instance; what European stage-acting was like before Chekhov and Stanislavsky, or the view of matter before nuclear physics.

In her arresting new history, "Naked to the Bone: Medical Imaging in the 20th Century," Bettyann Holtzmann Kevles has evoked what the world was like before Nov. 8, 1895, when the German-Dutch physicist Wilhelm Conrad Roentgen (1845-1923) discovered X-rays.

"Looking back, it is hard to understand how deeply opaque the world, and the human body, seemed to everyone before 1896," she writes. "This was a world where men and women wore several layers of clothing in all seasons and entered the ocean to swim covered from neck to knee. Clothes concealed the skin, and the skin concealed the secrets of the heart."

She concludes, "It is a historical irony that the discovery of rays that could penetrate clothing and skin and leave an image of living bones appeared in the most inhibited period in Western history, an era whose name, Victorian, has become synonymous with extreme sexual repression and bodily shame." With Roentgen's discovery, the world was changed. The extent of that change — in every realm from medicine to literature to art — is Kevles's fascinating subject.

Many themes are explored in Kevles's intricate, if occasionally plodding, narrative. Essentially, her history is technological. In the first of the two parts of her book, she recounts how X-ray technology was developed from a state in which the pictures it offered was sometimes so unclear that one practitioner compared them to a painting by Turner.

But even at their best, X-rays could not see past bone. So more sophisticated technologies had to be developed and in Part 2, Kevles tells the stories of CT or computerized tomography scanning, formerly called CAT scanning; of MRI or magnetic resonance imaging; PET or positron emission tomography, of ultrasound and mammography.

Unlike X-rays, these technologies were not stumbled upon serendipitously, but instead conceived of and worked at simultaneously by inventors all over the world who only needed powerful enough computers and sufficient money to realize their theories. Curiously enough, a major breakthrough occurred when the British company EMI (Electrical and Musical Industries Limited), flush with earnings from its recordings of the Beatles, decided to back a maverick engineer and in 1972 produced the first commercial CT scanner.

YET if Kevles, a science writer whose previous book was "Females of the Species: Sex and Survival in the Animal Kingdom," has been successful in making technological history absorbing, she brings other perspectives to medical imaging. At one extreme she tells her story through attempted assassinations, from the deaths of Presidents James A. Garfield and William McKinley because doctors could not find the bullets lodged in their bodies, through the survival of Ronald Reagan partly because with the help of X-rays the bullet in him was quickly found and removed.

At other extremes she tells her story from a feminist perspective, noting how ultrasound has helped women to gain control over their bodies, and from a forensic point of view, noting how quickly the results of imaging came to be depended upon as evidence in court. And running through the heart of her narrative is the gradual shift from a trust in medical technology to a suspicion of its wonders. Kevles notes how long it took medicine to realize that exposure to X-rays could be physically damaging.

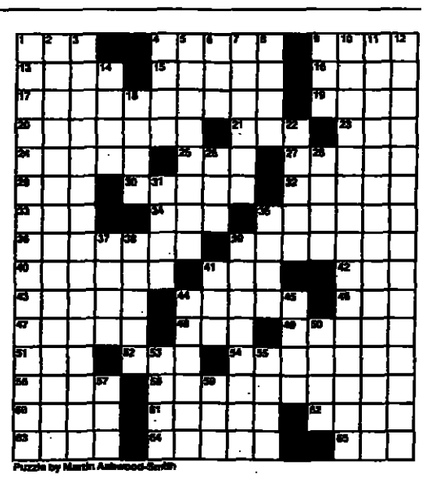
Still, for all Kevles's narrative skills, the most exciting chapter of her book concerns how X-rays revolutionized the way people saw reality. In "X-Rays in the Imagination: The Avant-Garde Through Surrealism," she notes how the discovery influenced works of literature like "The Invisible Man" (1897), by H.G. Wells, and "The Magic Mountain" (1924), by Thomas Mann. But it is Kevles's pointing out the X-ray's effect on Cubist and Surrealist painting that makes you see most vividly how the perception of reality was fragmented by the discovery.

Subsequent developments in imaging did not have nearly as powerful an effect on the popular imagination, as Kevles is the first to admit, so her concluding chapter, "The Transparent Body in Late 20th-Century Culture," is anticlimactic compared with her discussion of the X-ray's impact. After all, as she writes, prior to Roentgen's discovery, "19th-century American physicians (unlike their colleagues in France) did not examine their female patients with the relatively newly invented vaginal speculum because it was held to be 'unjustifiable on the grounds of propriety and morality' for a physician to look at a woman's genitalia."

X-rays changed that outlook. They posited a world in which the most hidden secrets could be penetrated.

*Christopher Lehmann-Haupt is on the staff of The New York Times.*

## CROSSWORD



Puzzle by Martin Ashwood-Smith

**ACROSS**

1 Personal things?
4 It's full of roots
9 Rocky Mtn. highs?
13 Takes home
15 —— Conferences of 1899 and 1907
16 —— Maar (Picasso mistress and subject)
17 Some Havanans
19 Actor Morales
20 Round rolls
21 Sentimentality
23 Outer limit
24 Pizza topping
25 One that's over due?
27 1969 Hoffman role
29 Author —— Yutang
30 "Independence Day" actor
32 Fleetwood Mac's "Walk —— Line"
33 Mason attachment
34 Commercial prefix for many cold-weather products
35 Comic actor John
36 Like a shake roof
39 Mollycoddles
40 Military demolitions expert
41 Shoot the breeze
42 Take a bough
43 Nursery items
44 Monthly service
46 Trip
47 French story
48 Long ——
49 Millionths of a meter
51 Singer Ocasek of the Cars
52 Old-fashioned contraction
54 —— one's welcome
56 Noted name in newspapering
58 Hospital helper
60 "—— Three Lives" (TV oldie)
61 "The Pirates of Penzance" heroine
62 Roulette bet
63 —— Jr. (acting son, familiarly)
64 Beethoven dedicatee
65 Antis

**DOWN**

1 Body builder?
2 One usually precedes 15-Across
3 Infant's dessert, maybe
4 "Leaving Las Vegas" co-star
5 Hack's place
6 Palindromic title
7 Took a stab at?
8 Colombian coin
9 "The Sultan of Sulu" writer
10 Fall short in votes
11 50's innovation
12 Hoped for salvation
14 Whist variety
18 Roulette bet
22 They're all talk
26 Capital city till 1960
28 Chemical suffixes
31 Mouse manipulator
35 Hood
37 Take down ——
38 Right, in a way
39 Crews' quarters
41 Bender
44 Invitation notation
45 CPR pros
50 "No man —— ——"
53 "Trust ——" (1937 hit)
55 Ubangi tributary
57 80's Pentagon letters
59 Diamond stat.

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**Solution to Puzzle of May 22**

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| C | A | N | D | I | D | ■ | B | A | B | S | ■ | S | G | T |
| A | N | Y | O | N | E | ■ | M | C | I | I | ■ | W | O | O |
| M | E | S | S | S | T | E | W | A | R | D | ■ | I | H | K |
| S | W | E | A | T | E | D | ■ | D | E | E | P | S | E | A |
| ■ | ■ | ■ | G | A | N | G | ■ | E | M | B | A | S | S | Y |
| A | L | D | E | N | T | E | ■ | M | E | E | T | S | ■ | ■ |
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| A | G | E | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | ■ | E | R | A |
| R | O | S | E | T | T | A | ■ | D | E | S | C | A | N | T |
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Harry's
Est. 1911, Paris
"Sank Roo Doe Noo"
A Space for Thought.

## BRIDGE

By Alan Truscott

THE Cavendish Club in Manhattan, home to many world-famous players, died six years ago, but the name lived on in the Cavendish Pairs and Cavendish Teams. This year these migrated to Las Vegas, Nevada, where they were played recently. The Calcutta pool in the pairs amounted to $1,288,500, by far the biggest in the history of bridge.

The Calcutta will not disappear from Manhattan, for similar, smaller events are held in several clubs. The biggest, organized by Lapt Chan and Jesus Arias, attracts many of the best players in the New York area. The next will be on June 14 at the Town Club, 9 East 86th Street, at 6 P.M.

In a Calcutta in January, when the pool was $31,625, Mark Paltrowitz of Manhattan, one of the city's most talented young stars, shone in the play of the diagramed deal.

NORTH
♠ Q 3
♡ A 4
◇ J 10 9 7 3 2
♣ Q J 3

WEST
♠ A 10 7
♡ Q J 10 8 5 3 2
◇ K 8
♣ 5

EAST
♠ J 9 8 6 5
♡ 7
◇ 6 4
♣ A 10 8 7 2

SOUTH (D)
♠ K 4 2
♡ K 9 6
◇ A Q 5
♣ K 9 6 4

Neither side was vulnerable. The bidding:

| South | West | North | East |
|---|---|---|---|
| 1 N.T. | 2 ♡ | 2 N.T. | Pass |
| 3 ♣ | Pass | 3 N.T. | Pass |
| Pass | Pass | | |

West led the heart queen.

In three no-trump, after a heart lead, most declarers worked on diamonds and went down to defeat when West's hearts were established.

Paltrowitz followed a different course. He won the first trick with the heart king in his hand and led a club to dummy's jack. East took the ace and led a spade to his partner's ace, and West played a second heart to dummy's ace. South cashed the spade queen and the club queen, then took the marked club finesse. The two black kings followed, and the ending is shown at right:

NORTH
♠ —
♡ —
◇ J 10 9 7
♣ —

WEST
♠ —
♡ 10 8
◇ K 8
♣ —

EAST
♠ J 9
♡ —
◇ 6 4
♣ —

SOUTH
♠ —
♡ 9
◇ A Q 5
♣ —

Now the lead of the heart nine endplayed West and brought home the contract.

This demonstrates why a ducking play at the first trick, made by other declarers, would have been an error. It would have killed the eventual endplay.

# The Changing Face Of Times Square

## *X-Rated Area Goes for Family Values*

By Peter Marks
*New York Times Service*

NEW YORK — The Times Square of my youth was neither the romantic crossroads of a great city nor a glitzy entertainment destination. It was a scary place of decay that you walked through quickly to get to someplace else, and always with $5 stuffed in your shoe.

My grandfather Sam, who never left his apartment in Flatbush without checking twice to see if the oven was turned off, insisted on the footwear security measure for those weekends in the late 1960s when I took the bus from New Jersey with my friend Neil Muhlberger to see a Broadway play or musical. It was the only one of his urban anxieties that I found contagious.

Sometimes I find it hard to reconcile my memory of the menacing neighborhood I cautiously traversed on my way to "Promises, Promises" and "Butterflies Are Free" with the new Times Square, a district rapidly metamorphizing into a family-friendly amusement zone.

Where I once scampered, I now saunter, and not merely because it feels safer. With the arrival of each new shop and restaurant and playhouse — the capstone being the reopening of the Walt Disney Co.'s enchantingly restored New Amsterdam Theatre on 42d Street near Seventh Avenue — I'm ever more intrigued and astounded by the changes in the area's fortunes. It is the part of midtown Manhattan that I would have voted Least Likely to Succeed.

But now that it is making such a visible comeback — cranes tower over the southern end of the theater district, emblematic of all the new construction (including the Conde Nast building and the Ford Center for the Performing Arts) — there is a whole new Times Square to become acquainted with. Even more change is imminent: a Madame Tussaud's wax museum, a 25-screen movie palace and a magic-themed restaurant owned by David Copperfield, the illusionist, are planned for the area.

**POLYGLOT PATCH** They will join the various megastores, themed and tony restaurants, hotels, fast-food outlets, arcades, coffee bars and brand-name boutiques that are springing up all over Times Square. In fact, each billboard that goes up along Broadway, the district's spiritual Main Street, helps to illuminate a resurgent, polyglot patch of New York that has always seemed at its most beguiling when its riot of neon is flickering.

Although I spend an inordinate amount of time in the 35 legitimate theaters of the Broadway district, I had little more than a glancing relationship with many of the new neighbors. So over the course of several days in late April, I abandoned my normal routine of visits to traditional theater haunts like the Drama Bookshop (the comprehensive theater bookstore at 48th Street and Seventh Avenue), the Café Edison (the diner of choice for Broadway's old guard, in the Edison Hotel on West 47th Street) and Joe Allen (a restaurant and hangout for journalists and theater folk on West 46th) and went looking for this new Times Square, which is coming into being with all the subtlety of the Oklahoma Land Rush.

First, a little orientation. Times Square technically refers to a tiny bowtie of concrete just north of 42d Street, where Broadway and Seventh Avenue converge. The square is occupied by a skyscraper, One Times Square, once the headquarters of The New York Times and on which hangs two giant television screens, the world-famous news zipper (now being replaced) and, on New Year's Eve, the ball that descends at midnight. Times Square, however, has also become synonymous with the entire theater district, which is bordered by West 41st Street on the south, West 52d on the north, Eighth Avenue on the west and the Avenue of the Americas (or Sixth Avenue) on the east.

### Tourist Landmarks

The area includes such tourist landmarks as the TKTS discount tickets booth in Duffy Square and the Marriott Marquis Hotel; at the southeastern edge, 42d Street and Avenue of the Americas, is the rehabilitated and charming Bryant Park, the New York Public Library's backyard, with a greensward, lawn furnishings and flora so evocative of Paris it could be renamed Bois de Bryant.

Many people make their first foray into Times Square with a ticket already in hand. But with no show to see, the streets became my theater. I wandered the district, browsing and tasting and pausing to absorb the human energy. The sidewalks of Times Square are nearly always jammed; it may be the part of town where natives and visitors vie for space most regularly. The crush is worst before and after the matinees on Wednesdays, when reservations in the area's restaurants can be impossible to get; on weekends, and on Tuesday through Saturday evenings, when most shows have performances.

So when you come to Times Square, expect a few elbows to your midsection and a few briefcases sideswiping your shopping bags. Also, expect to wait, whether it's in line at the TKTS booth, where many Broadway shows offer tickets for 50 percent off on the day of performance, or for a table in one of the theater district's growing array of restaurants, from new pre- and post-theater hot spots like Firebird and Coco Pazzo Teatro, to such popular lower-priced establishments as Ollie's (for Chinese soups and dumplings) and Virgil's (for ribs), to showbiz standbys like Sam's, Orso, Café Un Deux Trois and Osteria al Doge.

For example, I went on a Friday at lunchtime to the All-Star Café, a sports fan's multimedia fantasy of a burger and pizza palace (a merchandise order form arrives at your table even before the menu). It took more than an hour from the placing of my name on a waiting list at the first of two reception desks, to the arrival at our table of a saucer-sized cheeseburger and gooey pizza topped with broccoli and chicken.

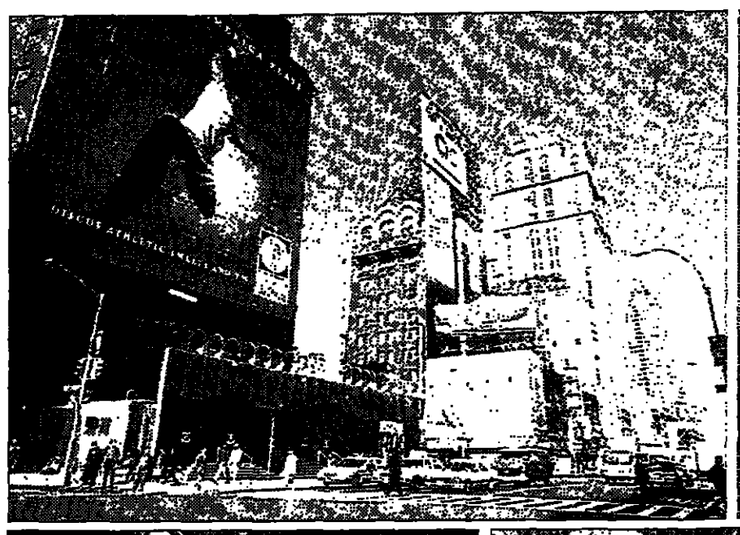
At the corner of 45th Street and Seventh Avenue, the All-Star is a paradigm of the new order in Times Square. The building's exterior is emblazoned with the faces of the celebrity athletes — among them, Andre Agassi, Wayne Gretzky and Joe Montana — who own the café. What do these guys have in common with theater stars who have more of a claim on the area, people like Andrew Lloyd Webber and Wendy Wasserstein? Not much. But that's totally in keeping with the hodgepodge mercantile spirit of Times Square, where hole-in-the-wall souvenir and electronics shops can share a sidewalk with a Virgin megastore, where a boutique coffee bar can rent space down the block from Tad's Steaks, that old-line chain of low-priced sirloin emporiums at which they still grill the filets in the window.

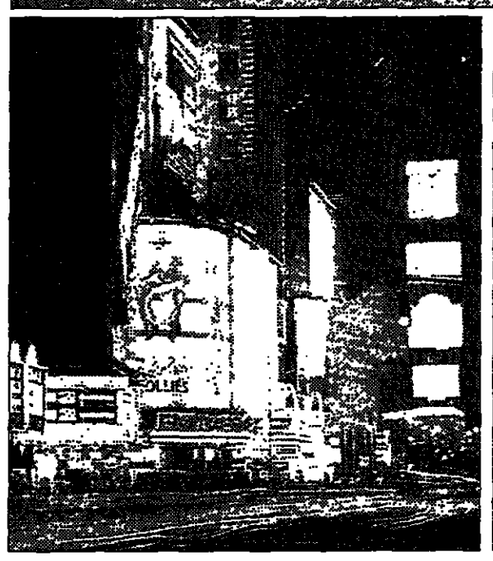
Tad's, as far as I know, has yet to offer a line of apparel. The All-Star Café, of course, has not overlooked this aspect of fine dining. My favorite T-shirt in all of Greater Times Squareland, though, was one with the likeness of the "Hello Deli" counterman made famous by David Letterman in skits on his late-night talk show, on sale in the CBS Store just beyond the theater district on West 53d Street.

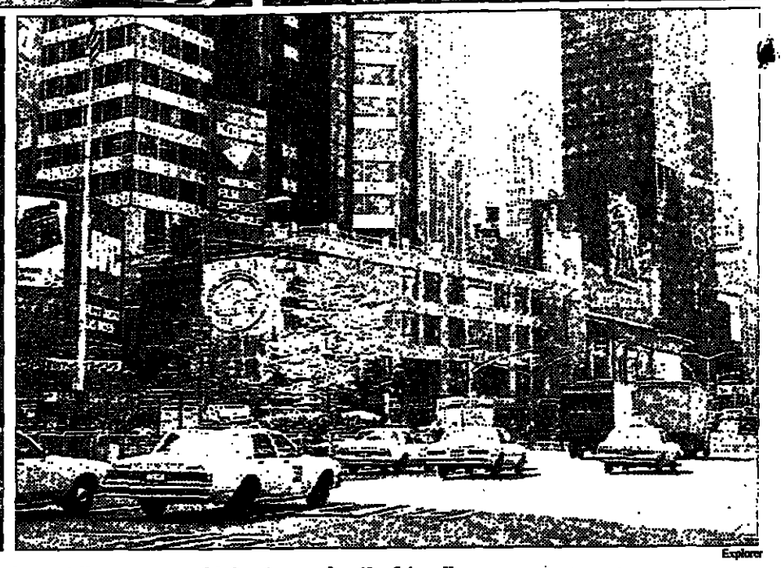
ANOTHER weekday, a friend and I headed to Hansen's Times Square Brewery Restaurant, a recent addition that fronts the narrow block of 42d Street between Broadway and Seventh Avenue. (You can't miss it: It's the building with the half-size mockup of a British Airways Concorde on the roof.) Hansen's has a street-level bar, a restaurant on the second floor, and an expanse of window that directly overlooks Times Square's metamorphosis. Actually, Hansen's is an example of just how quickly the area is reinventing itself: the restaurant is eventually to be torn down and replaced by another office building.

We got there early for lunch and secured a window table. (Lunch for two, including a decent burger, Caesar salad, watercress soup and shared dessert and tip, cost $37.) From there, I could look all the way up Broadway to the Coca-Cola sign above 47th Street, and if I craned my neck to left, I got a glimpse of the most radical redevelopment of all.

On the southern side of 42d Street is a new Disney Store and just behind it, the New Amsterdam, an 1,800-seat gem with one of the most ornate theater interiors in town. The restored outer lobby, festooned with friezes of scenes from Shakespearean drama and German opera, is itself worth a quick look. Across the street from the New Amsterdam is the jewelbox of the New Victory, restored last year as a children's theater, and on the adjacent corner is Ferrara, a new Italian coffee house where you can sip a cappuccino at a window seat and people-watch. You might even spot an actor or two.







Explorer

*The Times Square area is making a visible comeback, rapidly metamorphizing into a family-friendly amusement zone.*

# Hidden Treasures of Los Angeles

By Todd S. Purdum
*New York Times Service*

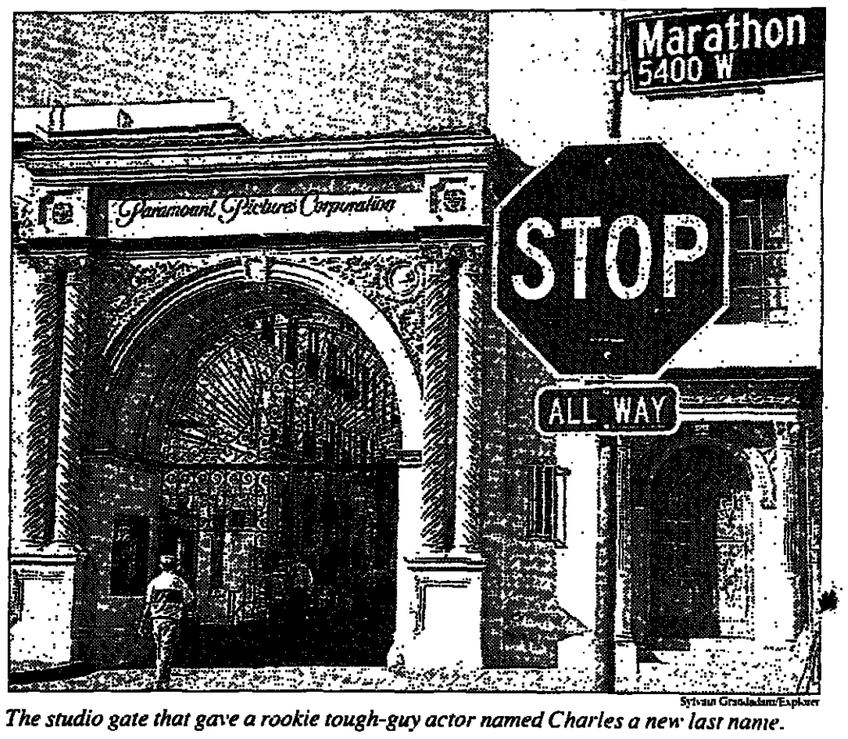
LOS ANGELES — From Universal Studios in the north to Disneyland in the south, from the beaches of Santa Monica on the west to the San Gabriel Mountains on the east, the marquee attractions of greater Los Angeles are as plain as the points of the compass. No one needs a road map to find the Magic Kingdom of Mickey and Minnie; just follow the crowds.

But the City of Angels is also home to a whole atlas full of hidden treasures, tucked away beneath the palm trees and perpetual sun, a source of endless exploration and inspiration for visitors and residents alike. And most of them are easy enough to get to that they can easily be sandwiched into even a short stay.

Movie fans in search of the theme park thrill rides and back-lot tram trips through the most popular studio tour head straight to Universal City, just across the Hollywood Hills in the San Fernando Valley. But for a more low-key, history-oriented walk around the only studio still active in the heart of old Hollywood, there is the Paramount Studios tour.

**FIRST FEATURE** Paramount, the longtime professional home of Bob Hope and Bing Crosby, Billy Wilder and Cecil B. De Mille, is the last of a string of studios that once lined the corridor along Gower Street and Melrose Avenue in the then semi-suburban enclave of Hollywood, and is a big part of where the industry began. In 1914 De Mille and Jesse L. Lasky teamed up to create "The Squaw Man," Hollywood's first full-length feature.

The $15 walking tours, led by cheery young blue-blazered guides, include not only stops at such icons of filmdom as the studio's Bronson Avenue Gate — the curving Spanish-style stucco and wrought-iron arch that was immortalized in "Sunset Boulevard," and, the story goes, gave a rookie tough-guy actor named Charles a new last name — but visits to the sets of current Paramount television programs, like the tabloid "Hard Copy" and "Entertainment Tonight." Depending on production schedules, you may get a peek at tapings of these or other shows, and at the very least, you will thread your way among the hanging lights and ganglia of cavernous sound stages that have echoed with the voices of everyone from Astaire and Rogers to "Laverne and Shirley" to the friendly gang at "Cheers."




Sylvan Grotelueschen/Explorer

*The studio gate that gave a rookie tough-guy actor named Charles a new last name.*

The tour is actually a twofer, because the Paramount lot also encompasses the old adjoining studios of RKO, home of the Fred and Ginger musicals of the Depression era, and later of Desilu, the production company formed by Lucille Ball and Desi Arnaz. Ball sold the Desilu stages to Paramount in the 1960s, and now those beige-painted buildings blend seamlessly into the other Paramount stages.

The tour is a font of movie and TV lore, from the silent film star Theda Bara to "The Brady Bunch." A visitor is impressed that, then and now, the studios wasted not an inch of space: Charlton Heston parted the Red Sea in a blue concrete basin that doubles as an employee parking lot, and the company infirmary, squeezed in an airless alley, was dolled up to pass — with tight camera angles — as the beach house where Tom Cruise courted Kelly McGillis in "Top Gun."

If you're looking for lunch, head a few blocks north to Musso and Frank's Grill at 6667 Hollywood Boulevard, which dates from 1919 and is the oldest restaurant in Hollywood, once a haunt of Fitzgerald, Hemingway and Faulkner and now a collection of red leather banquettes, cantankerous waiters and a vintage menu that features ice cold martinis. Or, to sample the food of one of the hottest chefs in town, try Joachim Splichal's Pinot Hollywood, a branch of his burgeoning family of hearty French bistros, on North Gower Street at Sunset Boulevard.

### Hot Springs

Just a few blocks distant but a world away is the Beverly Hot Springs, a spa fed by the city's only natural alkaline mineral hot springs, which gushes its soothing flow from an artesian well 2,220 feet (675 meters) below ground. Around the turn of the century, an oil wildcatter dug a well on the site, but, disappointed at finding only hot water, capped the pipe and left. In 1931, the well was rediscovered and for several years its flow was marketed at 10 cents a gallon as Wonder Water, a line of drink mixers whose healing powers were said to combat "acidity and kindred troubles," according to an old promotional flier displayed in the lobby.

After turning their cars over to the inevitable valet parking attendant, visitors enter a vestibule filled with a rushing waterfall and a baby grand piano. There are separate spas for men and women, each featuring a giant tiled pool filled with the piping hot water, a cool pool to calm down in, a steam room perfumed with fresh-cut eucalyptus branches and a dry sauna. Men and women, on request, are given a disposable razor and invited to shave, sitting on little stone stools in front of chest-high shower spigots.

For lunch, head one block west to Western Avenue and then south toward Wilshire Boulevard to Woo Lae Oak, a venerable Korean barbecue restaurant where every table contains a brazier on which paper-thin slices of beef, fresh scallops and other delicacies are sautéed by diners.

FOR something completely different, hop on the Glendale Freeway (No. 2) going north from downtown Los Angeles, and head for the verdant splendors of the Descanso Gardens, a county-owned park nestled on 165 acres in the San Rafael Hills in La-Canada Flintridge. Once part of a 36,000-acre Spanish rancho, the gardens were started in the late 1930s by E. Manchester Boddy, the publisher of the Los Angeles Daily News and an amateur gardener, who imported exotic camellias from around the world to create a preserve on his estate.

Now 100,000 camellias in 600 varieties fill winding walkways under a grove of ancient California live oaks. The flowers are at their peak in February and March, but something is always blooming at Descanso, the Spanish word for repose: daffodils and lilacs in spring, mums in the fall. A five-acre "international rosarium" is home to hundreds of varieties of richly fragrant roses, and is a popular spot for early evening weddings. There is a canyon filled with ferns, a lake, a bird observation station frequented by field trips from local schools and a blue-tiled Japanese teahouse which serves tea and cookies on weekends.

The gardens' special charm is that visitors see not only the profusion of botanical wonders that thrive in California's climate, thanks to the wonders of irrigation, but also 100 acres of the region's semiarid chaparral that has been preserved, its gnarled and shaggy mesquite and other trees helpfully labeled. A natural spring in the hills brings gentle cascades into the landscaped ponds and pools, their banks brightened by orange and yellow day lilies. Tram tours, $1.50, are a good way to get an overview of the extensive grounds for later exploring on foot.

# Taking the (Vichy) Waters in Catalonia

By Al Goodman

CALDES DE MALAVELLA, Spain — When Dr. Modest Furest considered bottling mineral water from the local hot springs last century and building a luxury spa to treat his sore-jointed patients, he thought of Vichy, France. He dubbed his water Vichy Catalan and named his spa the Balneario Vichy Catalan, using the word "Catalan" in homage to his home region of Catalonia.

His successors now operate the Vichy Catalan bottling plant and health spa on Dr. Furest Avenue in this village near Barcelona, and they fought off an attempt a few years ago to prevent the use of the name Vichy.

The French argued it was trademark infringement. But Vichy Catalan's lawyers countered that Dr. Furest registered his trademark in 1890, several years before the French registered theirs. So the name stuck, replacing the simpler "Quality Water," which Roman bathers called the local water two millennia ago.

The town had numerous spas and hot-bath houses in the last century and still has two spas and several bottling plants run by different firms. Vichy Catalan has staked a claim to the high-end trade for its naturally carbonated, chilled water in the bottle, and for the warm bubbly stuff in the hot tub.

"You have to take a break in life and disconnect," said Pedro Delemus, the spa's director. "The idea here is to get a tune-up once in a while."

No car is necessary. The spa is a five-minute walk from the train station, a one-hour train ride north of Barcelona for 845 pesetas ($6).

In a garden setting, the two-story Art Nouveau spa building, adorned with mosque-like arches on the veranda, is an intriguing call to pleasure. Once inside, the visitor quickly faces the Vichy Catalan dilemma: whether to lose weight in a hard-core health regimen and skip the sumptuous meals, or to concede that hot baths and massages need not be enemies of seafood paella and Catalan wines.

### Being Part of the Picture

While checking into the 82-room spa hotel, a color video at the reception desk shows footage of massages, hot baths, and pressure-massage showers. Once upstairs in one of the spacious rooms (request one facing the quiet patio, not the road), Channel 10 on the television offers more "spa video." One soon realizes that instead of merely watching, it's better to become part of the picture. Don the white cotton robe and stroll down the hallway to the spa, where each soothing service can hurt the budget because it is billed separately.

The room and board (13,375 pesetas or about $94 a person in high season, based on double occupancy) includes only the use of the exercise room and the large heated swimming pool, which is filled with normal tap water.

The coed hot mineral pool, measuring 4 by 3 meters (13 by 10 feet), is a good value at 1,605 pesetas, especially when the staff loosely enforces the 30-minute time limit. Heated to 35 degrees centigrade (95 degrees Fahrenheit), the pool's powerful jets dig into the skin like a deep-finger massage.

Hot and cold showers are just steps away, and next to them are waiting rooms to cool down before walking upstairs to a massage appointment. If 3,530 pesetas seems expensive for a half-hour massage, it may be time to meet Alex, a bicycling enthusiast who has been giving back rubs for 30 years.

Other services include a hose-pressurized shower, for 1,820 pesetas; sauna, for 2,140 pesetas or facial treatments from 6,630 pesetas.

The spa's clients range from parents with young children to senior citizens, testimony to Vichy Catalan's decision to break with the mold of many Spanish spas which rely heavily on state-subsidized visits of senior citizens.

Hotel Balneario Vichy Catalan, 32 Avenida Dr. Furest, tel: (34-72) 470-000 and fax: (34-72) 472-299.

*Al Goodman, who writes for The New York Times from Spain, wrote this for the International Herald Tribune.*

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The Price
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## LEISURE

# The Guidebooks That Make the Planet a Little Less Lonely

By Michael Richardson
*International Herald Tribune*

MELBOURNE — In mid-1972, aged 25, just married and with a freshly earned master's degree in business administration from London University, Tony Wheeler did what a growing number of other young people in the West were doing. He decided to take a year off to see the world before settling down.

He and his wife, Maureen, bought an old car and drove it along the so-called "hippie trail" through Europe and the Middle East to Afghanistan, where they sold it for a small profit. Then they traveled by bus, train and hitchhiking across India and Southeast Asia to Bali. After crewing on a New Zealand yacht from Bali, they ended up in Sydney with just 27 cents between them.

Their plan was to work for three months in Australia, save enough money and fly back to their native Britain.

"But we'd had such fun in those six months of traveling," Wheeler recalled the other day. "It was a season in heaven and our eyes were opened up to all sorts of things."

So the return to Britain with its prospect of humdrum working life was put off for two more years — the first for saving money, the second for traveling.

Yet that plan changed too, and the Wheelers took a path that led them to create Lonely Planet Publications, a Melbourne-based company controlled by the Wheeler family that has become one of the largest travel publishers in the world, with more than 250 titles, mainly travel guides. With the publication of a guide to Antarctica in November, they now cover virtually the whole globe.

The guides have helped encourage the wave of footloose independent travelers from the West that has increased hugely since the early 1980s, with growing affluence, cheap long-distance air travel and official promotion of tourism in many developing countries.

Now the company is capitalizing on the reverse tourist wave, mainly from newly rich travelers from Asia and Latin America to Europe, the United States, Canada, Australia and New Zealand.

Lonely Planet printed about 2 million guidebooks in English, French and other languages in 1996 and expects that figure to pass 2.5 million in 1997, with sales worth more than 25 million Australian dollars ($19.3 million).

The Wheelers' initial step into publishing hardly betokened a future empire. In response to many questions they had received about the trip to Australia, they decided to write a book about their experiences. They called it "Across Asia on the Cheap."

"We wrote it together on the kitchen table of our basement flat in Sydney," Wheeler said. "We got the pages printed cheaply. We put them together, then stapled and trimmed them ourselves. I took a day off work and took them around the shops. Much to our surprise, we sold the lot, all 1,500 copies, in the first week. So we printed another 3,500 and sold all those as well. Another print run of 3,500 followed and we thought, maybe we could make a living out of this."

After a year of traveling together through Southeast Asia on a motorbike in 1974, they produced their first book printed to professional standards, "South-East Asia on a Shoestring."

Greg Hermann and Glen Beaufort

*Tony Wheeler in his office surrounded by Lonely Planet publications.*

They also chose the company's New Age-sounding name after mishearing a line from the song "Space Captain" by Joe Cocker and Leon Russell: "Once I was traveling across the sky / And this Lovely Planet caught my eye."

"I got the name wrong," Tony Wheeler said. "But Lonely Planet sounded nice so it stuck."

**THE TURNING POINT** The first few years of writing, publishing and distributing the guides were tough for the Wheelers. But by 1979, with 16 titles to their credit, Lonely Planet was making money in a small way. The turning point came in 1982 when a guide to India written by Tony Wheeler and two others won the Thomas Cook Travel Guidebook Award.

Winning the award brought critical acclaim to Lonely Planet. "It took us to another level," he said. "It really opened doors and made a huge difference for us."

There have been other awards for Lonely Planet publications since then. The main appeal of the company's first guides to Asia was that nothing else like them was available.

"But we hit on a style that people liked," he said. "They were a bit irreverent and humorous, but practical and had good information because they were thoroughly researched by people who had really been on the ground."

Some of the "irreverence" brings its own share of criticism. For example, the description of places like Nottingham and Margate in the Lonely Planet guide to Britain published in 1995 — "Looking at Margate, God got so depressed he created Torremolinos" — aroused a howl of aggrieved anguish from parts of the British press and tourist industry, although overall the book painted an attractive portrait of the country.

"Guidebooks should give accurate and practical travel advice like 'When you come out of the train station, turn right and there's a nice hotel, turn left and you get mugged,'" Wheeler said. "It should also educate readers about the places they are visiting. If you know a bit about local history and culture, you enjoy yourself more."

"I often get asked whether I have twinges of conscience about encouraging the growth of mass tourism. But we are a relatively minor factor and in our guides we try to tell people how they can be more considerate and conservation-minded. That helps reduce the impact."

In addition to 11 Shoestring guides for low budget travel in Asia, Africa, the Middle East, Europe and America, Lonely Planet publishes 113 Travel Survival Kit guides to individual countries, small groups of countries or regions within large countries.

The latter provide information on where to go, what to do and see, and where to sleep and eat that will be useful to well-heeled baby boomers as well as to backpackers.

Lonely Planet also publishes walking guides, city guides, travel atlases and language phrase books.

One of its latest ventures is a site on the Internet that contains an abbreviated version of the printed guides with reports from the authors, maps, pictures and readers' letters that provide even more up-to-date travel information — in short, a kind of condensed guide to the whole world in cyberspace.

# The Price of Success

## *Mileage Plans Losing Their Luster*

By Roger Collis
*International Herald Tribune*

FREQUENT-FLIER programs are probably one of the most successful marketing ideas of all time. Since American Airlines introduced AAdvantage 16 years ago, mileage counting has become an addiction with 150 million travelers (including 40 million Americans) signed up worldwide. According to the OAG Business Lifestyle Survey 1997 of 5,000 frequent travelers in the United States, Britain, France, Germany, Italy, Singapore, Hong Kong, Japan and Australia, 9 out of 10 business travelers are FFP members — the more they travel, the more plans they belong to, more than three different programs on average. Many Americans belong to five or more.

FFPs are hugely influential when it comes to choosing an airline. More than three-quarters of all business travelers say that FFP membership influences their choice of carrier on a given route, often in defiance of corporate travel policy. Americans and Australians are most likely to succumb to the lure of FFPs. Japanese appear to be the least susceptible, although six out of seven Japanese travelers admit to being swayed by membership in a plan.

The very success of FFPs may lead to their demise — at least in their current form. FFPs are under threat from all sides. Pressure is mounting from governments who view FFPs as inimical to fair competition, especially in view of the concentration of airlines in major alliances. Leading corporations argue that, while FFP perks make life on the road more comfortable for travelers, awards should belong to the company not the individual. Some firms say that the plans inflate fares and encourage employees to make unnecessary trips — often at the highest fares. Airlines, which now owe travelers about two trillion miles, are placing more and more restrictions on earning miles and award redemptions, including setting expiration dates and blackout periods, and exercising "capacity control," whereby only a few seats are available on each flight for award travel. Upgrades — one of the most sought-after benefits — are only given to full-fare passengers. Tax authorities who view FFPs as "benefits in kind" are looking for ways to tax individuals and restrict allowances that companies can claim against air travel if they allow executives to keep FFP miles earned while traveling at company expense. And travelers themselves have seen the value of their mileage diminished substantially within the last couple of years. Given the complexity of the programs, with a maze of mileage thresholds and partnerships, they have become frustrated, asking, is it all worthwhile?

While membership in FFPs remains popular, there is confusion among many travelers about their true benefits, according to the latest Carlson Wagonlit business travel survey conducted by MORI in Britain. Although the British Airways Executive Club is considered to offer the best rewards in terms of points gained per trip, 30 percent of respondents were uncertain as to which FFP offers best value. "I believe only 30 percent of business travelers use their FFP miles," says Richard Lovell, executive vice president of Carlson Wagonlit Travel in London.

**VERY LITTLE DIFFERENCE** Ian Wheeler, marketing director, Europe, Middle East and Africa for OAG, says: "FFPs are still popular, but the 1997 survey suggests that the incentive to join FFPs isn't as high as it was a year or so ago. Travelers are finding there's very little difference between programs. And it's very hard to keep track of who flies where and how you can earn miles. There's a lot of frustration. People are now relying on other factors in their choice of airlines, such as convenience, schedule and service.

"The growth of airline alliances means that you have a huge portfolio of airlines on which to earn and redeem miles, reducing the number of schemes around the world and at the same time increasing mileage opportunities. You have similar alliances between American and British Airways; Passages FFP in Asia; and LatinPass across the whole of South America.

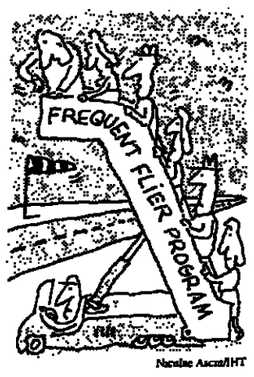
"Airlines are trying to reduce the high cost of running these shemes by concentrating on high value travelers — how much you pay is beginning to be more important than how many miles you fly — and offering fewer benefits to less frequent travelers. They are also bringing in more nonairline partners such as credit card, retail goods and phone companies to help pay for the schemes."

*The Frequent Traveler*

Mike Platt, director of commercial affairs at Hogg Robinson Travel in London, says: "A major threat to FFPs is the airlines themselves. Airlines are now calling into question just how necessary it is to spend at least three percent of the value of a ticket in funding FFPs at a time when there is enormous pressure on them to reduce distribution costs. Especially when corporations are doing more and more deals with airlines, such as route discounts or business class upgrades for some executives, and dictating to their travelers which airline they must fly. As the main travel decisions move more towards the corporation than the traveler, airlines are asking whether they still need to incentivize the individual traveler. Why should the airline pay twice?"

**COMPLETE PROFILES** "I agree that FFPs are a cost to airlines, but I don't think any carrier would want to do away with them — at least not unilaterally — because they are such a brilliant marketing tool," says Betty Low, editor of Business Travel World, a trade magazine. "It's more than brand loyalty, it's data-base marketing. The personal name records that these programs have generated are magic — a complete fix on the the profile of travelers using them and the opportunity to build a direct relationship with travelers.

"I think you have to make a distinction between the 'managed' traveler and the 'unmanaged' traveler. If you're an airline which has signed a route deal contract with a corporation, you want to do everything you can to make sure that everyone obeys corporate travel policy; if you don't have a contract, you want people to subvert travel policy and fly with you."




Natalie Ascot/IHT

Although the majority of airlines do not give FFP miles to corporations, a few do, notably Virgin Atlantic, Asiana, Turkish Airlines and China Airlines. Lufthansa has a corporate FFP program for the United States but not elsewhere.

On the tax front, Swedish travelers are liable for tax on awards earned on company business and later redeemed for personal travel. Swedish employees must inform the company of any FFP award: the company then informs the tax people. The German government this year imposed a two-percent tax on FFP awards exceeding a value of 2,400 Deutsche marks (about $1,400) a year. Lufthansa has responded to this by offering to pay the tax above this sum for its Miles & More members.

Britain has no immediate plans to tax FFP awards because under present "benefits in kind" rules, it is hard to establish the "cost to the provider" and in any case it is not worth the cost of collecting the tax, according to Lynn Simpson at the Inland Revenue in London. But the rules could change under the new Labour government.

"If FFPs become a taxable benefit, the bubble will quickly burst," says Kevin Watts, secretary of of the Business Travel Liaison Group in London, which represents 25 corporations spending around £500 million ($800 million) a year on air tickets.

Stelios Haji-Ioannou, chairman of the rapidly expanding no-frills airline EasyJet in London, is campaigning against FFPs as being "inherently corupt and distorting the market." EasyJet's inflight magazine carries a "memorandum" to heads of companies to ban the collection of FFP miles by their executives. "Low-cost airlines cannot afford to give FFPs — that's why we are low cost," Haji-Ioannou says. "FFPs are a bribery system and like any bribery system you have to convince people to do things that they wouldn't otherwise have done. Air fares could be reduced by at least 10 percent if FFPs did not exist."

## MOVIE GUIDE

**KISSED**

*Directed by Lynne Stopkewich. Canada.*

Lynne Stopkewich's confident first feature focuses on Sandra Larson (the entrancing Molly Parker), a spookily angelic beauty who is sexually aroused by death. Adapted from Barbara Gowdy's erotic short story "We So Seldom Look on Love," it is a surprisingly subdued, spiritual treatment of a potentially lurid subject. Sandra also happens to be an especially appealing and articulate necrophiliac whose primary attraction is rooted in compassion for the dead and a curiosity about the hereafter. One afternoon after an embalming class at the local university, Sandra catches the eye of Matt (Peter Outerbridge), an intense medical student who'd be just her type if only he were dead. Nevertheless, Sandra falls for Matt, who is initially tolerant of her other love interests, but it becomes obvious that living happily ever after is out of the question. "Kissed" sustains a dark wit and noir magicality similar to David Lynch's "Twin Peaks," where Sandra, Matt and the gang could pass for just plain folks. *(Rita Kempley, WP)*

**UNAGI**

*Directed by Shohei Imamura. Japan.*

This is Imamura's first film since "Black Rain," eight years ago. Though it is not to be compared to such masterpieces as "The Insect Woman" and "Unholy Desire," it is nonetheless filled with its own Imamura-like integrity. A man kills his unfaithful wife, goes to prison, and when he comes out inadvertantly saves the life of a woman who much resembles her. She goes to thank him and stays. He, however, has gotten out of the human habit. In jail his only companion was a large eel (the *unagi* of the title), to which he sometimes talks and which he now keeps in a home aquarium. Like the carp in "The Pornographers" and the leaping fish in "Black Rain," the eel is very much there, yet it is also symbolic. It will survive. The question is, will he. The answer is yes. In the drama-filled finale the eel gets loose and they are left gingerly contemplating happiness.

*(Donald Richie, IHT)*

**TRUTH OR CONSEQUENCES, N.M.**

*Directed by Kiefer Sutherland. U.S.*

This flimsy "Bonnie and Clyde" clone contributes no new ideas to this genre beyond its unconvincing suggestion that in the breast of every mild-mannered yuppie beats the heart of a would-be killer. Ray (Vincent Gallo), a sensitive ex-convict, and his absurdly trusting girlfriend, Addy (Kim Dickens), collaborate with Curtis (Kiefer Sutherland), a trigger-happy psychopath, and his sidekick, Marcus (Mykelti Williamson), in a botched drug heist. Fleeing, they hijack the mobile home of a yuppie couple and hold them hostage. Gordon becomes so infatuated with his captors that he begins parroting Curtis's insane rants about how life is just a game of the good guys versus the bad. Sutherland, in red sunglasses that set off the Mephistophelean glow of his reddish hair, is so gleefully monstrous you almost expect him to sprout devil's horns. The film aspires to be an all-American romantic tragedy, but the only emotion you feel for its doomed lovers is contempt for their stupidity in teaming up with an obvious nut case.

*(Stephen Holden, NYT)*

**SPRUNG**

*Directed by Rusty Cundieff. U.S.*

All humans, the movie instructs, can be divided into two subspecies: players and feelers. Initially constructed as a cautionary tale that contrasts a player couple (she wants a rich guy; he wants booty) with a feeler couple, the movie eventually gets away from the rigidity of its own concept and becomes a more conventional comedy. It's a fundamentally healthy movie, which ultimately urges its audience away from the games that are played between guys and dolls and toward something sweeter, and meaningful.

*(Stephen Hunter, WP)*

## ARTS GUIDE

**BRITAIN**

**GLASGOW**
**McLellan Galleries,** tel: (141) 353-0809, open daily. To Sept. 7: "The Birth of Impressionism: From Constable to Monet." From the influence of the 19th-century classical tradition to the landscapes of Millet and Narcisse Virgile Diaz and to the final flowering of Impressionism on the banks of the Seine.

**LONDON**
**British Museum,** tel: (171) 323-8525, open daily. To Sept. 14: "Printmaking in Paris: Picasso and His Contemporaries." In the first half of the 20th century, Paris attracted artists who were encouraged to work in its numerous print shops. Features Picasso and Matisse's earliest prints, Surrealist engravings, the political prints of Miro, and abstract prints by Hartung, Soulages and Dubuffet.

**DENMARK**

**COPENHAGEN**
**National Museum of Denmark,** tel: 33-13-44-11, closed Mondays. To Sept. 7: "Nimrud and Nineveh: Treasures From Assyria in the British Museum." A selection of sculptures from the 9th to the 7th century B.C. They were parts of the panels that decorated the Assyrian kings' palaces in ancient Mesopotamia. The exhibition also includes carved ivories, bronze bowls, seals and cuneiform documents.

**FRANCE**

**PARIS**
**Fondation Dina Vierny,** tel: 01-42-22-59-58, closed Tuesdays. To Sept. 29: "Jean-Michel Basquiat: Oeuvres sur Papier." Works on paper by the New York painter (1960-1988) who first started with graffitis on walls.
**Institut du Monde Arabe,** tel: 01-40-51-38-38, closed Mondays. Continuing/ To Aug. 31: "Soudan: Royaumes sur le Nil." Items from archaeological sites in Sudan.
**Musee d'Art Moderne de la Ville de Paris,** tel: 01-40-70-11-10, closed Mondays. Prolonged/ To June 8: "Les Annees Trente en Europe." European art in the 1930s.
**Musee National des Arts d'Afrique et d'Oceanie,** tel: 01-44-74-85-00, closed Tuesdays. To Aug. 18: "Arts du Nigeria." More than 250 items document the history of the area that became Nigeria at the end of the 19th century.

**GERMANY**

**BERLIN**
**Martin-Gropius-Bau,** tel: (30) 324-50-78, open daily. Continuing/To July 27: "The Age of Modernism: Art in the 20th Century." Features 350 works by more than 100 artists from Picasso to Cy Twombly.

**FRANKFURT**
**Fotografie Forum,** tel: (59) 29-17-26, closed Mondays. To June 15: "Frank Horvat: Schwarzweiss-Fotografien 1952-1964 und Vraies Semblances." More than 80 black-and-white photographs created from 1952 to 1964, including portraits of Coco Chanel, Josephine Baker and Edith Piaf, as well as scenes photographed in Parisian streets, bars and striptease clubs.

**LEIPZIG**
**Museum der Bildenden Kunste,** tel: (341) 21-69-90, closed Mondays. To July 13: "Paul Klee: Reisen in den Suden." More than 100 paintings, drawings and watercolors document the Swiss painter's journeys to southern Europe, Egypt, Tunisia and Africa in the 1910s, '20s and '30s, and their impact on his work.

**ITALY**

**VENICE**
**Palazzo Grassi,** tel: (41) 522-1375, open daily. Continuing/ To July 13: "Arte del '900: La Pittura Fiamminga e Olandese." A selection of works by 20th-century Belgian and Dutch painters, including van Gogh, Ensor, Magritte, Delvaux and Mondrian.

**NETHERLANDS**

**ROTTERDAM**
**KunstHal,** tel: (10) 440-0301, closed Mondays. Continuing/To June 8: "The Early Mondrian." More than 140 paintings, drawings and watercolors by the Dutch painter (1872-1944).

**SPAIN**

**BARCELONA**
**Museu Picasso,** tel: (3) 319-6310, closed Mondays. Continuing/ To June 29: "Andre Derain, 1904-1912." Works by the French Fauvist painter that reflect Picasso's influence.

**SWITZERLAND**

**GENEVA**
**Musee d'Art et d'Histoire,** tel: (22) 418-2600, closed Mondays. Continuing/To Sept. 28: "L'Art d'Imiter: Falsifications, Manipulations, Pastiches." A selection of pastiches of paintings from the Italian Quattrocento that were created at the turn of the century.

**UNITED STATES**

**HOUSTON**
**Museum of Fine Arts,** tel: (713) 639-7300, closed Mondays. To July 20: "Jewels of the Romanovs: Treasures of the Russian Imperial Court." Jewels, costumes, paintings, icons and religious artifacts display the opulence of the Romanov dynasty from the 18th century to its demise in 1917.

**NEW YORK**
**Metropolitan Museum of Art,** tel: (212) 570-3791, closed Mondays. Continuing/ To Aug. 3: "Cartier: 1900-1939." Traces the evolution of styles since the creation of the Maison Cartier in 1847. Also, to July 6: "The Glory of Byzantium." The influence of Byzantine culture on Islamic states and Christian kingdoms from the 9th to the 13th centuries.

**SAN FRANCISCO**
**M.H. de Young Memorial Museum,** tel: (415) 863-3330, closed Mondays and Tuesdays. To Aug. 10: "The Spirit of Ancient Peru." From a Lima museum, a selection of 175 items of Peruvian pre-Hispanic art, including pottery, silver and gold regalia, textiles and carvings that date back to pre-Inca civilizations 2,000 years ago.

**WASHINGTON**
**National Gallery of Art,** tel: (202) 737-4215, open daily. Continuing/ To July 27: "Picasso: The Early Years, 1892-1906." Works created between the age of 11 and 25.

### CLOSING SOON

May 25: "Vittoria Colonna: Dichterin und Muse Michelangelos." **Kunsthistorisches Museum, Vienna.**
May 25: "Herren der Meere: Meister der Kunst - Das Hollandische Seebild im 17. Jahrhundert." **Bodemuseum, Berlin.**
May 25: "L'Art de Collectionner: Les Musees Neerlandais et L'Art du 20e Siecle." **Palais des Beaux-Arts, Brussels.**
May 25: "Edvard Munch: Prints From the Vivian and David Campbell Collection." **Art Gallery of Ontario, Toronto.**
May 25: "Men and Gods: New Discoveries from Ancient China." **Louisiana Museum of Modern Art, Humlebaek, Denmark.**
May 25: "Du Greco a Mondrian." **Fondation de l'Hermitage, Lausanne.**
May 26: Angkor et Dix Siecles d'Art Khmer." **Grand Palais, Paris.**
May 26: "Modern Art in Britain, 1910-1914." **Barbican Art Gallery, London.**

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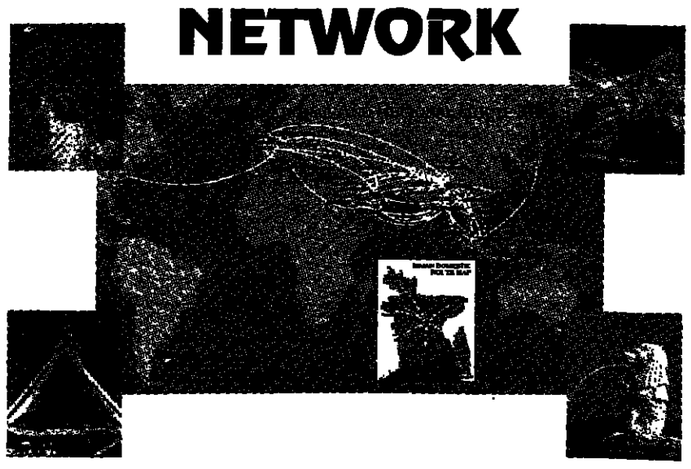

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**THE INTERMARKET**
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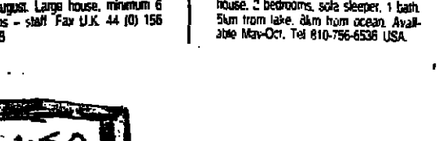


Designer: D. Rumsy. Research group: S. Langevin. Illustration: Fr. De Rumsy

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| **Cash Auction Privatization Specialists:** | Le Ann Hager<br>(Ulaanbaatar - Mongolia) | Le Ann Hager<br>Development Alternative<br>7250 Woodmont Ave.<br>Suite 200<br>Bethesda MD 20814 |
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THE INTERMARKET Starts on Page 4
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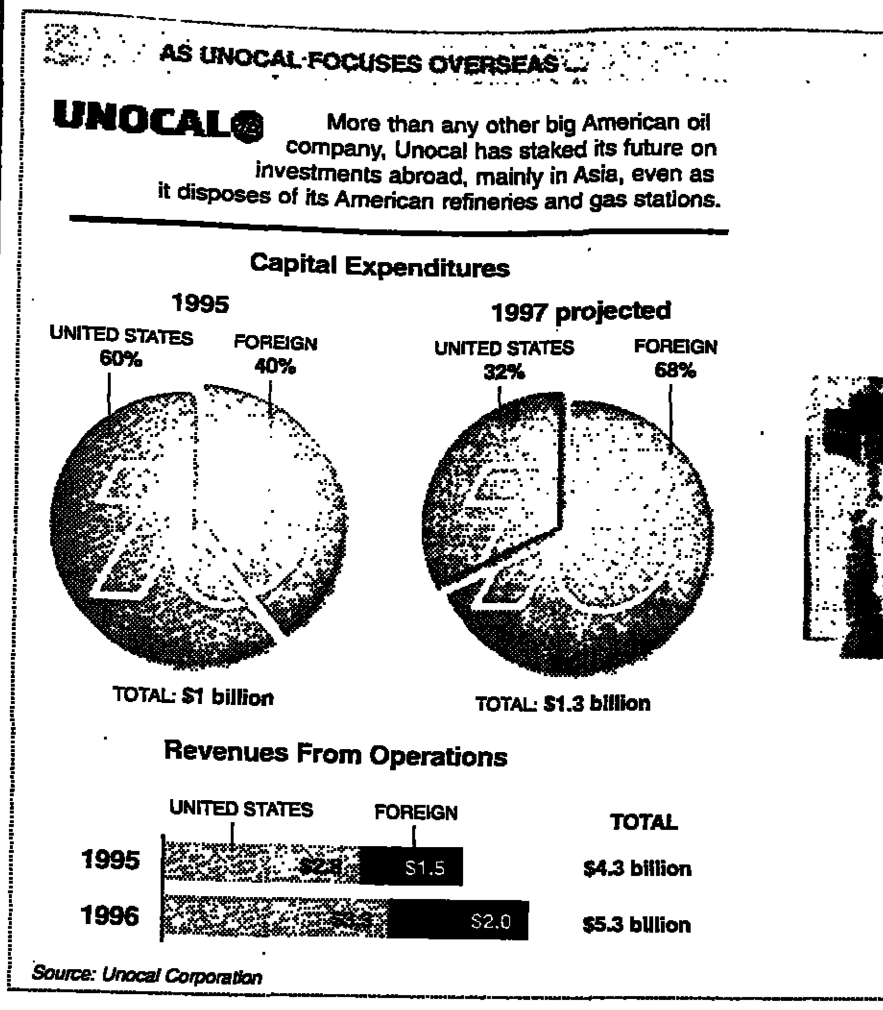


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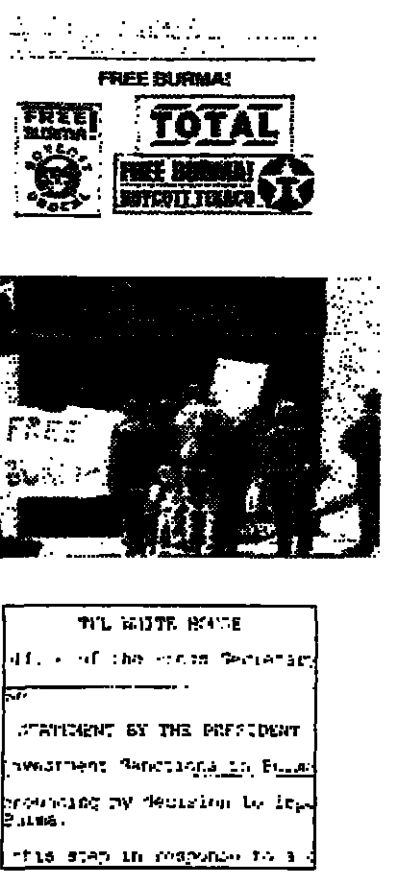



**HUMAN RIGHTS GROUPS** Using the Internet and more traditional forums, grass-roots protesters have accused Unocal and its partners of collaborating with Burma's oppressive regime.

**LABOR UNIONS** The threat of job losses from Unocal's sale of its domestic operations has prompted the Oil, Chemical and Atomic Workers union to join protests like this one in Denver last month against Unocal and its partners in Burma.

**WASHINGTON** President Clinton said last month he would impose sanctions on new investment by American companies in Burma. Unocal's existing project is exempt, but it remains unclear whether the company can expand its presence.

The New York Times

# Oil and Sanctions: Unocal Hangs On in Burma

By Agis Salpukas
*New York Times Service*

NEW YORK — Ever on the hunt for rich discoveries abroad, American oil companies have long had to factor in fears about the unstable nature of foreign governments when considering huge investments in capital and equipment. But now the companies are finding that politics back home is the new focus of risk.

The threat of unilateral economic sanctions, typically directed by Washington at governments accused of human-rights violations, has become big enough to cast a shadow over investment decisions stretching from Southeast Asia to West Africa to the Caspian Sea, oil executives and other industry experts say.

No company has exposed itself more to the new unknowns than Unocal Corp. In an industry that is rapidly directing its investment focus offshore, Unocal has staked more of its future on overseas projects than anyone else, concentrating on Asia. Last November, it sold its refineries, gas stations and other assets on the West Coast of the United States to free up capital to invest in the region.

It has placed its biggest bet so far in Burma, where it is part of an international consortium, including Total SA of France, that is investing $1.2 billion to develop the Yadana natural gas field.

And while the field will not start operating until next year, Unocal's presence in Burma has already become a case study in the politics and pressures that are increasingly affecting the energy industry. Last month, the Clinton administration approved the use of sanctions against Burma under legislation that the president signed last fall.

The sanctions, which went into effect Wednesday, prohibit American companies from making new investments in the country, which is ruled by a military dictatorship that human-rights groups have called one of the most repressive regimes in the world.

But the Yadana project, as well as lesser ventures involving Texaco Inc. and Atlantic Richfield Co., known as ARCO, are shielded from the sanctions by a compromise in the legislation that exempts existing investments.

Unocal helped win that compromise through intense lobbying. But Unocal's experience has exposed just how many problems sanctions can create and underscored how readily constituencies can rise up to pose obstacles to projects thousands of miles away.

While it is hanging on to its project, Unocal is also stuck with its critics, risking a legacy of bad publicity along with any profits. Just last month, the Oil, Chemical and Atomic Workers International Union joined the forces opposing the company, upset that Unocal's concentrated move abroad was unnecessarily costing American jobs.

And Unocal's victory is only partial and may not be permanent. Its opponents are backing new legislation to force the company out of Burma.

"In the oil and gas business, you continually have to reinvest as you draw down reserves," said John Lichtblau, chairman of the Petroleum Industry Research Foundation. "This is an ongoing process and not just a one-time thing."

The result is a war for public opinion — and lawmakers' votes — that is still being waged in the halls of Congress, in letter-writing campaigns and on the Internet.

What seems clear is that what is happening to Unocal will happen to other American oil companies.

For example, in the Caspian Sea area, which has become one of the hottest regions for new development, "American companies are already feeling some

**INTERNATIONAL MANAGER**

reluctance to go into partnerships because of the sanctions that have already been applied and might be applied in the future," Mr. Lichtblau said.

Julia Nanay, a director of the Petroleum Finance Co., a consulting firm in Washington, added: "It's devastating for the U.S. oil industry. There is an increasing list of countries that are potential targets. It's having a terrible effect." Potential flashpoints include Nigeria and Indonesia, experts say.

Still, whatever the headaches and the complications, the industry has little choice but to pursue most projects overseas because that is where the oil is and because American consumers show no signs of trimming their demand.

Indeed, Unocal went into Burma in 1993 knowing there were troubles ahead, but saw the potential rewards as justifying the risks.

Company executives recognized that they were in for a long battle with rights groups. Unocal's president, John Imle Jr., recalled, but they were determined to see it through. "This project is going to happen — there is no way they are going to stop it," he quoted Unocal executives as saying.

The critics were not long in coming. Grassroots groups of students and immigrants, linked through the Free Burma Coalition, spread reports of rights abuses by the military regime, known as the State Law and Order Restoration Council.

The critics accused Unocal of everything from condoning the laundering of drug money — Burma is the world's biggest producer of heroin — to using slave labor. Through demonstrations and the Internet, the groups picked up support, including backing from American student groups.

By last year, two senators, Mitch McConnell, Republican of Kentucky, and Daniel Patrick Moynihan, Democrat of New York, were pushing for an immediate ban on investments, including existing projects.

Unocal fought back, denying the critics' charges and noting Washington's inconsistency when pressing for democratic reforms abroad.

Top Unocal executives made the rounds in Washington, arguing that if

See RISK, Page 17

# Beijing-Linked Exchanges Embark on a Bumpy Ride

## Wild West Investing Infects Hong Kong, To Regulators' Dismay

*Bloomberg News*

HONG KONG — When Chow Yei-ching was accused of insider trading for selling 28 million shares of Chevalier (OA) International Ltd., his lawyer offered a simple defense: Mr. Chow, the company chairman, had not realized Chevalier was about to report a big loss.

Ignorance is a popular excuse in Hong Kong, where a half-dozen companies issue statements every day saying they are at a loss to explain gains of as much as 90 percent a day. More often than not, the same companies announce major restructurings or purchases within days.

Little more than a month before Hong Kong reverts to Chinese rule, there are eerie signs that the stock market has begun to resemble its smaller cousins in Shanghai and Shenzhen, where regulators seem powerless to persuade investors that trading shares is anything more than a lottery.

Things are getting so out of hand in Hong Kong that regulators issued a statement Wednesday saying that some recent gains "have no relation to the assets, profitability or prospects of the companies concerned."

"Hong Kong investors are buying stocks just like they're betting on horses or going to Macau" casinos, said Sunny Chan, head trader at the brokerage Seapower Securities Ltd.

He should know. Seapower Resources International Ltd., a sister company of the brokerage, is t one of many China-connected companies targeted by investors this year as likely targets of asset injections by their Chinese parents.

Thursday, for example, Seapower Resources surged 41 percent. The reason? Speculation that China Resources Enterprise Ltd., another leading mainland company, is about to buy a stake in the company. Both companies denied this.

A Securities and Futures Commission spokesman said his office had received complaints about market manipulation, and the announcement Wednesday was aimed at protecting investors.

## Chinese Markets Slide After State Restricts Short-Term Trading

*Compiled by Our Staff From Dispatches*

SHANGHAI — Regulators banned state-owned and listed companies from trading shares for short-term profits Thursday, the biggest step in a six-month campaign to rein in the booming stock market.

The moves caused share prices to plunge on China's two stock exchanges. The Shanghai Stock Exchange's composite index closed down 119.66 points, or 8.8 percent, at 1,258.05. In Shenzhen, the composite index slumped 453.72 points, or 8.6 percent, to 4,788.88 points.

Analysts said the decline was the sharpest this year, adding that they expected prices to continue to fall Friday.

The restrictions, the latest in a series of government actions first announced in December and aimed at cooling China's markets, were the harshest since China opened stock exchanges seven years ago, analysts said.

The ban seemed to put an end to a market boom in anticipation of Hong Kong's return to Chinese sovereignty July 1, a prospect that had pushed Shanghai shares up 47 percent this year.

But analysts said the moves were not likely to counter the economic forces that had driven that rally. China's savings, inflation and growth rates made it likely that shares would bounce back, they said.

In addition, the impact of the announcement might be limited because authorities would probably find the restrictions difficult to enforce, they said.

According to the new regulations, state-owned and listed companies will not be allowed to purchase shares unless they are held as long-term investments. The companies will also be barred from using funds raised through stock sales and bank loans to buy shares.

Raymond Chan, manager of the Barclays ASF China Fund in Hong Kong, said he believed China's goal was to cool speculation, not to send share prices down. *(Bloomberg, AP, Reuters)*

# Hashimoto Faults Bureaucrats

*Reuters*

TOKYO — Prime Minister Ryutaro Hashimoto, angered by a string of business scandals, lashed out Thursday at the Finance Ministry for failing to head off at least one of them.

The wave of scandals has broken in the middle of a campaign by Mr. Hashimoto's government to clean up Japan's business ethics before the deregulation of financial markets to make them globally competitive.

In an unusual public rebuke to the country's most powerful bureaucrats, Mr. Hashimoto faulted them for not knowing that Japan's third-largest commercial bank, Dai-Ichi Kangyo Bank Ltd., might have played a role in questionable loans to a racketeer in a scandal also involving Nomura Securities Co.

"It's not only a matter of Dai-Ichi Kangyo Bank," the prime minister said. "There must have been inspections by the Finance Ministry."

He also did not spare the bank's top executives from scrutiny.

"It's sneaky to step down to take the blame," Mr. Hashimoto said, referring to reports that the executives planned to quit. "Their resigning does not settle the problem. They should face up to the case until investigations make headway."

# In a Broad Asian Survey, American Blue Chips Pull Down the Highest Marks

By Philip Segal
*Special to the International Herald Tribune*

HONG KONG — Coca-Cola, IBM, Citibank, Motorola, AIG and other blue-chip U.S. companies were ranked as the most successful foreign firms operating in Asia in a survey of expatriate business executives in the region made public Thursday.

U.S. companies generally bested Japanese and other rivals in their respective sectors and industries when respondents were asked which company was the most successful and why. The survey was conducted by the Hong Kong-based Political and Economic Risk Consultancy.

"Americans formed only a minority of the survey sampling, so the strong reputation of certain U.S. companies is shared by Americans and non-Americans alike," the survey said.

The winning names read like a Who's Who of blue-chip America. International Business Machines Corp. received the second-largest number of endorsements in the survey after Coca-Cola Co., scoring especially well in Japan.

American International Group Inc. led the insurance field. This was perhaps not surprising, given the company's tremendous lead on all other foreign insurance firms in China, Asia's most popular destination for foreign direct investment last year.

AIG earns 52 percent of its profit outside the United States and is the largest life insurer in Southeast Asia, operating in 15 different countries or territories with more than 100,000 agents. In 1992, it was granted the first foreign insurance license in 40 years by the Chinese government, and in three years grabbed an estimated 20 percent of the group and individual life insurance market in Shanghai. Two years ago, it was given permission to sell life insurance in the southern Chinese city of Guangzhou, when almost all of its peers were still trying to get their first licenses to sell in Shanghai.

Among high-technology companies, Motorola Inc. topped the rankings by executives, who were surveyed in China, Hong Kong, South Korea and Singapore. That, too, is not a shock, given Motorola's huge investments in internal human resources training programs. Respondents to the survey often cited "people skills" as a reason to rate companies highly. For firms operating in China, for example, human resources problems are often cited as the single biggest barrier to success because of the acute shortage of skilled managers in China and a dearth of good expatriate managers who speak Chinese.

Robin Sears, vice president in Hong Kong of Korn Ferry International, the executive search firm, said last year that very few companies operating in China had what he considered a successful human resources policy. Among his top picks were Motorola, AT&T Corp., IBM and Proctor & Gamble Co.

America's Citibank was the top-rated foreign financial institution in Asia by far, with comments from executives citing the bank's "staying power through problems," "global infrastructure" and "innovative products." Hongkong & Shanghai Bank, whose parent HSBC Holdings has its headquarters in Britain, was the only other bank to receive a significant number of mentions.

Only a few Japanese companies made the list, including Toyota Motor Corp., which got high marks for its operations in Indonesia and Thailand.

Volkswagen AG of Germany was the hands-down winner in China, the operator of what has been by far the most successful automobile joint venture there to date.

"Apparently, the collective image of Japan Inc. is still stronger than the image conjured up by individual companies," the Political and Economic Risk Consultancy said.

The pattern of U.S. dominance was broken in the energy sector, where Royal Dutch/Shell Group, the Anglo-Dutch oil firm, won higher ratings than did Exxon Corp. or Caltex Petroleum Corp., a joint venture of two U.S. oil companies, Chevron Corp. and Texaco Inc.

"It would seem there is no single magic formula behind the success of these companies," the report said. While a good product or technology was critical, "it could be more significant that most of the companies on the list are able to back up this product or technology with extreme focus."

Take Coca-Cola, which employs about one-third of its bottling personnel in China in the area of distribution, keeping control over its product all the way from plant to store shelf. PepsiCo Inc. has linked up with several bottlers that were all but broke, according to a report by the Economist Intelligence Unit on multinationals in China. But with only minority stakes in its bottlers, it often lost control over distribution.

# CURRENCY & INTEREST RATES

## Cross Rates

May 22

| | $ | £ | D.M. | F.F. | Lira | D.Fl | B.F. | S.F. | Yen | C$ | Peseta |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Amsterdam | 1.9015 | 3.1075 | 1.1242 | 0.3330 | 0.1142* | — | 5.446* | 1.3584 | 1.640* | 1.387 | 1.3335* |
| Brussels | 35.0625 | 57.65 | 20.6405 | 6.132 | 2.099* | 18.362 | — | 24.81 | 0.302 | 25.57 | 24.445* |
| Frankfurt | 1.6931 | 2.7764 | — | 0.2969 | 0.1016* | 0.8895 | 4.848* | 1.1998 | 1.4636* | 1.2343 | 1.1869* |
| London (a) | 1.6345 | — | 2.7677 | 9.3199 | 2,725.121 | 3.1187 | 57.1258 | 2.3055 | 189.4958 | 2.2415 | 233.096 |
| Madrid | 142.628 | 233.039 | 84.241 | 25.008 | 8.564* | 74.929 | 4.089 | 101.119 | 123.199* | 102.994 | — |
| Milan | 1,665.50 | 2,736.00 | 984.90 | 292.50 | — | 876.39 | 47.66 | 1,183.20 | 14.397 | 1,213.75 | 11.67 |
| New York (b) | — | 1.6349 a | 1.6945 | 5.7072 | 1,678.00 | 1.9049 | 34.98 | 1.412 | 116.15 | 1.372 | 142.46 |
| Paris | 5.7032 | 9.3505 | 3.3685 | — | 0.3425* | 2.9962 | 0.1632 | 4.0434 | 4.9263* | 4.1594 | 3.998* |
| Tokyo | 115.05 | 189.41 | 67.87 | 20.16 | 0.491 | 60.38 | 3.289 | 81.61 | — | 84.07 | 0.8062 |
| Toronto | 1.3723 | 2.2399 | 0.8103 | 0.2405 | 0.0823* | 0.728 | 0.3925* | 0.9715 | 1.1837* | — | 0.961* |
| Zurich | 1.4145 | 2.3004 | 0.8342 | 0.2477 | 0.0848* | 0.7421 | 4.0930* | — | 1.22* | 1.0314 | 0.9971* |
| 1 ECU | 1.1565 | 0.7854 | 1.958 | 6.5955 | 1,925.93 | 2.2013 | 40.418 | 1.6312 | 133.882 | 1.5861 | 164.968 |
| 1 SDR | 1.4022 | 0.8475 | 2.3649 | N.Q. | 2,330.78 | 2.46 | 48.90 | 1.9683 | 159.545 | 1.9166 | 199.203 |

*Closings in Amsterdam, London, Milan, Paris and Zurich, fixings in other centers; New York at 4 p.m. and Toronto rates at 3p.m.*
*a: To buy one pound; b: To buy one dollar; *Units of 100; N.Q.: not quoted; N.A.: not available.*

## Other Dollar Values

| Currency | Per $ | Currency | Per $ | Currency | Per $ | Currency | Per $ |
|---|---|---|---|---|---|---|---|
| Argent. peso | 0.9986 | Greek drac. | 269.67 | Mex. peso | 7.858 | S. Afr. rand | 4.4675 |
| Australian $ | 1.2796 | Hong Kong $ | 7.7358 | N. Zealand $ | 1.4434 | S. Kor. won | 891.30 |
| Austrian sch. | 11.904 | Hung. forint | 180.56 | Norw. krone | 7.0135 | Swed. krona | 7.5525 |
| Brazil real | 1.0693 | Indian rupee | 35.77 | Phil. peso | 26.37 | Taiwan $ | 27.81 |
| Chinese yuan | 8.3221 | Indo. rupiah | 2442.20 | Polish zloty | 3.15 | Thai baht | 25.19 |
| Czech koruna | 30.36 | Irish £ | 0.6577 | Port. escudo | 170.45 | Turkish lira | 137750. |
| Danish krone | 6.4406 | Israeli shek. | 3.393 | Russ ruble | 5753.5 | UAE dirham | 3.671 |
| Egypt. pound | 3.3952 | Kuw dinar | 0.300 | Saudi riyal | 3.75 | Venez. boliv. | 483.00 |
| Fin. markka | 5.0965 | Malay. ring. | 2.5005 | Sing. $ | 1.4319 | | |

## Forward Rates

| Currency | 30-day | 60-day | 90-day | Currency | 30-day | 60-day | 90-day |
|---|---|---|---|---|---|---|---|
| Pound Sterling | 1.6397 | 1.6388 | 1.6379 | Japanese yen | 115.09 | 114.57 | 114.07 |
| Canadian dollar | 1.3679 | 1.3650 | 1.3620 | Swiss franc | 1.4039 | 1.3988 | 1.3939 |
| Deutsche mark | 1.6880 | 1.6842 | 1.6805 | | | | |

*Sources: ING Bank (Amsterdam); Indosuez Bank (Brussels); Banca Commerciale Italiana (Milan); Banque de France (Paris); Bank of Tokyo-Mitsubishi (Tokyo);*

## Libid-Libor Rates

May 22

| | Dollar | D-Mark | Swiss Franc | Sterling | French Franc | Yen | ECU |
|---|---|---|---|---|---|---|---|
| 1-month | 5½ - 5⅝ | 3 1/16 - 3 3/16 | 1 5/16 - 1 7/16 | 6⅛ - 6¼ | 3 3/16 - 3 5/16 | 7/16 - 9/16 | 4 - 4⅛ |
| 3-month | 5¾ - 5⅞ | 3⅛ - 3¼ | 1 5/16 - 1 7/16 | 6¼ - 6½ | 3 5/16 - 3 7/16 | ½ - ⅝ | 4 - 4⅛ |
| 6-month | 5 13/16 - 5 15/16 | 3¼ - 3⅜ | 1⅜ - 1½ | 6 9/16 - 6 11/16 | 3⅜ - 3½ | 9/16 - 11/16 | 4 1/16 - 4 3/16 |
| 1-year | 6 1/16 - 6⅛ | 3 5/16 - 3 7/16 | 1 7/16 - 1 9/16 | 6⅞ - 7 | 3 7/16 - 3 9/16 | 13/16 - ⅞ | 4⅛ - 4¼ |

*Sources: Reuters, Lloyds Bank.*
*Rates applicable to interbank deposits of $1 million minimum (or equivalent).*

## Key Money Rates

| United States | Close | Prev |
|---|---|---|
| Discount rate | 5.00 | 5.00 |
| Prime rate | 8½ | 8½ |
| Federal funds | 5½ | 5½ |
| 90-day CDs dealers | 5.67 | 5.67 |
| 180-day CP dealers | 5.60 | 5.60 |
| 3 month Treasury bill | 5.02 | 5.00 |
| 1-year Treasury bill | 5.48 | 5.47 |
| 2-year Treasury bill | 6.22 | 6.22 |
| 5-year Treasury note | 6.58 | 6.56 |
| 7-year Treasury note | 6.65 | 6.63 |
| 10-year Treasury note | 6.74 | 6.73 |
| 30-year Treasury bond | 6.98 | 6.97 |
| Merrill Lynch 30-day RA | 5.00 | 5.00 |
| **Japan** | | |
| Discount rate | 0.50 | 0.50 |
| Call money | 0.45 | 0.43 |
| 1-month interbank | 0.52 | 0.52 |
| 3-month interbank | 0.54 | 0.53 |
| 6-month interbank | 0.61 | 0.61 |
| 10-year Govt bond | 2.78 | 2.82 |
| **Germany** | | |
| Lombard rate | 4.50 | 4.50 |
| Call money | 3.10 | 3.10 |
| 1-month interbank | 3.15 | 3.15 |
| 3-month interbank | 3.20 | 3.20 |
| 6-month interbank | 3.25 | 3.25 |
| 10-year Bund | 5.89 | 5.84 |

| Britain | | |
|---|---|---|
| Bank base rate | 6¼ | 6¼ |
| Call money | 6.00 | 6⅛ |
| 1-month interbank | 6 5/16 | 6 5/16 |
| 3-month interbank | 6 7/16 | 6 7/16 |
| 6-month interbank | 6⅝ | 6⅝ |
| 10-year Gilt | 7.30 | 7.14 |
| **France** | | |
| Intervention rate | 3.10 | 3.10 |
| Call money | 3 3/16 | 3 3/16 |
| 1-month interbank | 3¼ | 3¼ |
| 3-month interbank | 3 5/16 | 3 5/16 |
| 6-month interbank | 3 7/16 | 3 7/16 |
| 10-year OAT | 5.78 | 5.68 |

*Sources: Reuters, Bloomberg, Merrill Lynch, Bank of Tokyo-Mitsubishi, Commerzbank, Credit Lyonnais.*

## Gold

| | A.M. | P.M. | Ch'ge |
|---|---|---|---|
| Zurich | N.A. | 342.40 | +0.20 |
| London | 342.95 | 342.75 | +0.05 |
| New York | 344.20 | 343.20 | —0.50 |

*U.S. dollars per ounce. London official fixings; Zurich and New York opening and closing prices; New York Comex (June.)*
*Source: Reuters.*

**REPUBLIC OF LEBANON**
**THE MINISTRY OF HYDRAULIC AND ELECTRIC RESOURCES**
**COUNCIL FOR DEVELOPMENT AND RECONSTRUCTION**
**NATIONAL EMERGENCY RECOVERY PROGRAMME**
**WATER SUPPLY AND WASTEWATER SECTORS**
**Invitation for Tenders N° 1865**

**Rehabilitation and extension of Metn E1 and Barouk E1 Water Supply and Metn and Chouf Waste Water Systems**

The Council for Development and Reconstruction (CDR) has received a loan from the International Bank for Reconstruction and Development (IBRD) towards the cost of the National Emergency Reconstruction Programme, 2nd and 3rd year (outside Beirut), and it is intended that part of the proceeds of this loan will be applied to eligible payments under the contract for the rehabilitation and extension of Metn E1 and Barouk E1 Water Supply and Metn and Chouf Waste Water Systems.

The Council for Development and Reconstruction invites tenders from eligible tenderers as defined in the (IBRD) Guidelines for Procurement to execute the following :

- Install and commission chlorination equipment at five sites.
- Construct, equip and commission three new booster pump stations.
- Procure, lay and test 62.9 km of transmission pipelines, of various sizes from 50mm to 600 mm diameter.
- Construct or rehabilitate 20 No. concrete reservoirs of various sizes up to 200m3 capacity & 12 No. up to 4000 m3 capacity.
- Procure, lay or rehabilitate and test 130.5 km of distribution pipelines of sizes from 50mm to 500mm diameter.
- Rehabilitation 14.2 km of existing transmission pipelines of various sizes from 200mm to 300mm to diameter.
- Construction and rehabilitation /replacement of 12.5 km of sewers and rising mains ranging in size from 150mm to 400mm and construction of a submersible pumping station.

Tenderers may obtain further information from, and examine and acquire the tender documents at, the office of the Employer starting Monday 26 of May 1997 from the headquarters of : The Council for Development and Reconstruction -Tallet El Serail -Beirut Central District, Lebanon - Facsimile:(961-1) 86 44 94 - (961-1) 64 79 47-Tlph. :(961-1) 643980/1/2/3 - Beirut - Lebanon

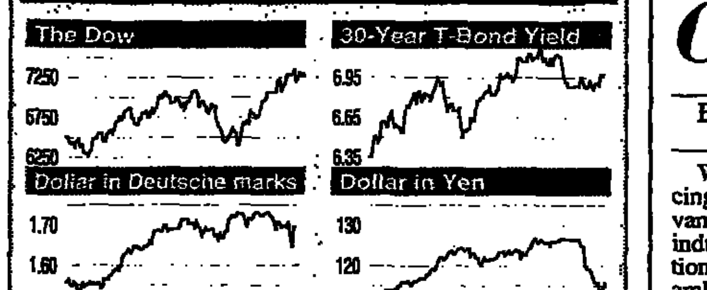
Tender documents may be purchased by interested tenderers on application to the above office, and upon payment of a non-refundable fee of US$ 1000.

All tenders must be accompanied by a security of US$ 660,000, and must be delivered to the address given above at or before 12:00 noon on Monday 28 of July 1997. Tenders will be opened at 12:00 noon of the same date in the presence of tenderer's representatives who choose to attend.

A pre-tender meeting will be held in the offices of CDR at 10:00 hours on Tuesday 10th June 1997 during which a site visit will be organized.

## THE AMERICAS

### Investor's America




| Exchange | Index | Thursday @4PM | Prev. Close | % Change |
|---|---|---|---|---|
| NYSE | The Dow | 7258.13 | 7290.69 | -0.45 |
| NYSE | S&P 500 | 835.66 | 839.39 | -0.44 |
| NYSE | S&P 100 | 820.66 | 826.28 | -0.68 |
| NYSE | Composite | 434.66 | 436.21 | -0.36 |
| U.S. | Nasdaq Composite | 1372.59 | 1373.75 | -0.08 |
| AMEX | Market Value | 593.73 | 592.08 | +0.28 |
| Toronto | TSE Index | 6336.00 | 6304.50 | +0.50 |
| São Paulo | Bovespa | 10745.23 | 10714.89 | +0.28 |
| Mexico City | Bolsa | 3999.69 | 3973.15 | +0.67 |
| Buenos Aires | Merval | 765.42 | 763.54 | +0.25 |
| Santiago | IPSA General | 5441.78 | 5401.11 | +0.75 |
| Caracas | Capital General | N.A. | 6682.87 | - |

Source: Bloomberg, Reuters International Herald Tribune

# Clinton Retreats on Bank Rules

By Robert D. Hershey Jr.
*New York Times Service*

WASHINGTON — In introducing its long-awaited plan to revamp the U.S. financial services industry, the Clinton administration has retreated from its most ambitious idea: allowing banks to own manufacturers or other nonfinancial companies.

For more than a decade, repeated attempts to overhaul banking legislation have collapsed from intense industry in-fighting. In deciding not to press for authority for banks to engage in virtually any business — a proposal that has drawn sharp criticism — the administration has provided the framework, analysts said, for a bill with solid prospects of enactment.

On Thursday, Alan Greenspan, the chairman of the Federal Reserve Board, urged Congress not to allow even a limited mingling of banking and commercial business until it has first acted to break down walls that still separate the banking, securities and insurance industries.

The Fed chairman backed away from past statements in which he suggested a step-by-step approach to allowing affiliations between banks and commercial businesses, which are now effectively prohibited by U.S. law.

The plan, outlined Wednesday by Treasury Secretary Robert Rubin, is an attempt to reflect the deregulatory changes that have already swept through the marketplace, paced by the efforts of federal regulators that have allowed banks and Wall Street to move onto each other's turf.

"The old lines that separated insurance, securities and banking industries have increasingly blurred as new financial services and products have appeared," Mr. Rubin said Wednesday.

The administration did not propose any banking legislation last year, when Congress tried and failed to pass a bill repealing the Glass-Steagall Act, the 1933 law that separates the banking and securities businesses.

Even though Mr. Rubin signaled a retreat from the controversial proposal to allow banks to venture into a wide range of businesses, he did not abandon it altogether. The administration's plan offers such ownership as one of two alternatives.

Mr. Rubin suggested that permission for banks be linked to a specified limit on nonfinancial activity, expressed in terms of total domestic revenue. He also said that Congress might want to bar affiliation between a bank and any of the nation's 1,000 biggest nonfinancial companies.

# Rising Bond Yields Weigh on Wall Street

*Compiled by Our Staff From Dispatches*

NEW YORK — Stocks fell Thursday as concerns about inflation lifted Treasury bond yields close to 7 percent, a level that tempts some stock investors to buy bonds.

"The market's just flat-out overvalued, and bonds are pretty attractive," said Arthur Micheletti, chief investment strategist at Bailard Biehl & Kaiser.

The Dow Jones industrial average closed 32.56 points lower at 7,258.13. The Standard & Poor's 500-stock index dropped 3.69 points to 835.66, with computer-chip companies declining most. The Nasdaq composite index fell 1.16 points to 1,372.59.

The benchmark 30-year Treasury bond fell 9/32 to 95 17/32 for a yield of 6.98 percent, up from 6.97 percent Wednesday.

Although the Federal Reserve Board left interest rates unchanged at its meeting Tuesday, investors were not convinced the economy was slowing enough to avoid future rate increases.

"It's a question of when, not whether" the Fed raises rates to curb the economy and quell inflation, even though the central bank refrained from doing so this week, said Jay Mueller of Strong Capital in Menomonee Falls, Wisconsin. A government report released Thursday showed the number of Americans applying for state unemployment benefits hovering at a level that led analysts to expect continued healthy job creation in May. First-time jobless claims rose just 5,000 to a seasonally adjusted 322,000 last week, the Labor Department said.

Philip Morris was flat at 44½ after the Senate rejected an amendment to raise the tobacco tax and a Maryland court dismissed some counts in a state tobacco suit to recover costs of treating smoking-related illnesses.

**U.S. STOCKS**

Ford Motor fell ¼ to 37 after the carmaker said it was comfortable with analysts' average earnings estimate of $1.70 a share for the second quarter, even as sales have declined in recent months.

Hartford Life shares rose closed 3⅛ higher at 32⅛ in the insurance company's first day of trading after an initial public offering of 23 million shares.

Liz Claiborne rose 1 to 46½ as the Needletrades, Industrial and Textile Employees Union said the women's clothing retailer had reached a tentative contract with the union effective June 1. Terms were not disclosed. *(Bloomberg, AP)*

# US Airways Moves to Shrink Its Service

By Frank Swoboda and Don Phillips
*Washington Post Service*

PHILADELPHIA — US Airways Inc. has told its shareholders that in the absence of an agreement with its unions to cut labor costs, the company has begun diverting millions of dollars intended for global expansion into other investments.

The chairman of US Airways, Stephen Wolf, told the annual shareholders meeting Wednesday that the carrier was talking with manufacturers of small regional jets about replacing turboprops on its commuter subsidiaries. The money for the planes would come from cash the airline has set aside to buy widebodied jets for overseas flights. Mr. Wolf said that the airline already had diverted $126 million to buy back stock from British Airways PLC to raise the value of its shares.

British Airways said late Wednesday it had sold its remaining stake in US Airways for $500 million.

Telling shareholders that "we simply have not made any progress whatsoever" in efforts to reduce the company's labor costs, Mr. Wolf said management, with the backing of the board of directors, has begun the process of downsizing the airline.

"In the coming months our fleet will start shrinking again," he said.

Mr. Wolf said the airline had built its cash reserves to finance plans for global expansion, but the lack of contract concessions had halted the process.

"We've been stopped from doing that and now we've started using the money for alternative sources to increase shareholder value," he said.

The airline is seeking concessions in the labor contracts with its three major unions: the Air Line Pilots Association, the International Association of Machinists and the Association of Flight Attendants. In the absence of new contract agreements, Mr. Wolf said, the board would shrink the airline into a "superior regional carrier."

# TRADE: *EU Contests Boeing Merger*

Continued from Page 1

changes and may well reject the deal if Boeing refuses to negotiate before a July 31 deadline.

A rejection could trigger an unprecedented antitrust clash between Europe and the United States, particularly if the Federal Trade Commission approves the deal as part of the sweeping restructuring of the U.S. defense industry, as most American analysts expect. U.S. and EU antitrust authorities share information under a 1991 agreement and have intervened on each other's territory.

The EU commission required Kimberley-Clark and Scott Paper to get rid of some European operations after their merger, and U.S. authorities imposed conditions before allowing the Swiss companies Ciba-Geigy and Sandoz to join forces as Novartis. But EU and U.S. authorities have never before reached different verdicts about a large transaction involving trans-Atlantic businesses.

As President Jacques Chirac of France demonstrated last week when he crowned a trip to China by winning $1.5 billion in orders for Airbus jets, the aircraft business is a highly political global game involving huge amounts of trade, jobs and national prestige.

Boeing is America's largest single exporter, while Airbus is Europe's flagship high-technology combine.

Seven U.S. senators complained recently that the EU investigation was a biased attempt to help Airbus through the guise of merger regulations, and Vice President Al Gore promised to take action if Mr. van Miert tried to impose onerous conditions.

EU officials also recently demanded to reopen a 1992 agreement on aircraft subsidies, claiming that Boeing and other U.S. companies were exceeding the accord's limits on indirect aid via the Pentagon and the National Aeronautics and Space Administration.

## Very briefly:

### Johnson & Johnson to Buy Biopsys

NEW BRUNSWICK, New Jersey (Bloomberg) — Johnson & Johnson agreed Thursday to buy Biopsys Medical Inc. in a stock swap valued at $310 million, giving the health-products giant a device that diagnoses breast cancer without surgery.

Johnson & Johnson has been acquiring companies for their promising technologies and using its global distribution to sell them. The agreement moves Johnson & Johnson into competition with U.S. Surgical Corp. in the emerging market for breast-biopsy procedures.

### Triarc Cancels Spin-Off and IPO

NEW YORK (Bloomberg) — Triarc Cos. said Thursday it had completed its $300 million acquisition of Snapple Beverage Corp. from Quaker Oats Co., but the company said it would not proceed with its plan to create a separate company for its beverage and restaurant businesses through an initial public offering and spin-off to shareholders.

- **The Toronto Stock Exchange** was named in the latest class-action lawsuit over **Bre-X Minerals Ltd.**, which collapsed after a finding that its Busang property in Indonesia contained no significant gold reserves.
- **The National Association of Securities Dealers'** chairman, Frank Zarb called on investigators to emphasize organized-crime activity on Wall Street.
- **McCormick & Co.** said it was under investigation by the Federal Trade Commission over the way it sold spices.
- **Barnes & Noble Inc.** reported a loss for its first quarter of $3.9 million, against a loss of $5.4 million a year earlier, as sales rose 17 percent to $595.7 million.
- **U.S. Office Products Co.** has agreed to buy Mail Boxes Etc. in a stock swap valued at $276.9 million.
- **DuPont Co.** agreed to sell its graphics film and offset-printing plates business to Bayer AG's Agfa-Gevaert

*Bloomberg, NYT, Reuters*

# Tokyo Officials Talk the Dollar Back Up

*Bloomberg News*

NEW YORK — The dollar rose against the yen and other major currencies Thursday after Finance Ministry officials in Japan suggested that the U.S. currency had fallen far enough and that Japanese interest rates would not rise soon.

Tokyo is trying to prevent the dollar from falling further just weeks after sending it into a tailspin by saying it was getting too strong, traders said.In 4 P.M. trading, the dollar was quoted at 116.150 yen, up from 114.345 yen Wednesday.

The dollar began rising after Deputy Finance Minister Tadashi Ogawa said concerns about the yen's "excessive weakness" had "completely disappeared."

**FOREIGN EXCHANGE**

He also said excessive yen gains against the dollar were as undesirable as excessive declines.

Finance Minister Hiroshi Mitsuzuka then said he supported the central bank's low-interest-rate policy as a way to spur economic growth. Low interest rates can weaken a currency by making deposits and bonds denominated in it less attractive.

The dollar also rose slightly against the Deutsche mark, to 1.6945 DM from 1.6940 DM.

Against other currencies, the dollar was at 1.4120 Swiss francs, up from 1.4080 francs, and at 5.7072 French francs, up from 5.7055 francs. The pound dropped sharply, to $1.6249 from $1.6447.

## AMEX

**Thursday's 4 P.M. Close**
The top 300 most active shares, up to the closing on Wall Street.
*The Associated Press.*

| Stock | Sales | High | Low | Latest | Chge |
|---|---|---|---|---|---|
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |

## U. S. STOCK MARKET DIARY

### Indexes

**Dow Jones**

| | Open | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Indus | 7302.64 | 7310.06 | 7242.47 | 7258.13 | -32.56 |
| Trans | 2665.73 | 2675.49 | 2640.69 | 2660.69 | -1.85 |
| Util | 220.11 | 220.33 | 218.73 | 219.28 | -0.83 |
| Comp | 2271.74 | 2273.85 | 2258.71 | 2261.26 | -7.49 |

**Standard & Poors**

| | High | Low | Previous Close | Today 4 P.M. |
|---|---|---|---|---|
| Industrials | 998.14 | 986.00 | 991.30 | 986.04 |
| Transp. | 617.50 | 608.61 | 611.48 | 613.84 |
| Utilities | 192.67 | 190.65 | 191.53 | 190.45 |
| Finance | 95.23 | 93.00 | 93.34 | 93.30 |
| SP 500 | 846.87 | 835.22 | 839.35 | 835.66 |
| SP 100 | 833.48 | 822.07 | 826.18 | 820.66 |

**NYSE**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| Composite | 437.28 | 434.87 | 434.66 | -1.55 |
| Industrials | 556.37 | 551.82 | 552.59 | -2.40 |
| Transp. | 401.71 | 400.13 | 400.55 | +0.14 |
| Utility | 267.68 | 265.31 | 265.74 | -1.55 |
| Finance | 393.40 | 390.81 | 392.15 | +0.03 |

**Nasdaq**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| Composite | 1377.92 | 1368.25 | 1372.59 | -1.16 |
| Industrials | 1101.90 | 1096.98 | 1099.75 | +0.17 |
| Banks | 1467.10 | 1460.72 | 1466.33 | +8.91 |
| Insurance | 1514.51 | 1505.69 | 1512.70 | +3.80 |
| Finance | 1778.95 | 1766.87 | 1774.00 | -1.45 |
| Transp. | 926.04 | 919.47 | 923.77 | +4.87 |

**AMEX**

| | High | Low | Last | Chg. |
|---|---|---|---|---|
| | 594.39 | 591.96 | 593.73 | +1.65 |

**Dow Jones Bond**

| | Previous Close | Today Noon |
|---|---|---|
| 20 Bonds | 102.22 | 102.18 |
| 10 Utilities | 99.09 | 99.15 |
| 10 Industrials | 105.35 | 105.25 |

### Most Actives

**NYSE**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| UUnion n | 79630 | [illegible] | [illegible] | [illegible] | [illegible] |
| HartfdLf n | 78082 | [illegible] | [illegible] | [illegible] | [illegible] |
| Seagate s | 73741 | [illegible] | [illegible] | [illegible] | [illegible] |
| PhilMor s | 62251 | [illegible] | [illegible] | [illegible] | [illegible] |
| AT&T s | 60854 | [illegible] | [illegible] | [illegible] | [illegible] |
| GenElec s | 50815 | [illegible] | [illegible] | [illegible] | [illegible] |
| PepsiCo | 47364 | [illegible] | [illegible] | [illegible] | [illegible] |
| US Airway | 42538 | [illegible] | [illegible] | [illegible] | [illegible] |
| Exxon s | 33077 | [illegible] | [illegible] | [illegible] | [illegible] |
| NikeB s | 32399 | [illegible] | [illegible] | [illegible] | [illegible] |
| RJRNab | 31286 | [illegible] | [illegible] | [illegible] | [illegible] |
| HewlPk s | 25850 | [illegible] | [illegible] | [illegible] | [illegible] |
| Gate2000 | 20214 | [illegible] | [illegible] | [illegible] | [illegible] |
| WDigitl | 24431 | [illegible] | [illegible] | [illegible] | [illegible] |
| AmOnline | 20932 | [illegible] | [illegible] | [illegible] | [illegible] |

**Nasdaq**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| Intel | 89228 | [illegible] | [illegible] | [illegible] | [illegible] |
| 3Com | 81047 | [illegible] | [illegible] | [illegible] | [illegible] |
| Quarintk | 74228 | [illegible] | [illegible] | [illegible] | [illegible] |
| Cisco | 74421 | [illegible] | [illegible] | [illegible] | [illegible] |
| Quantum | 66192 | [illegible] | [illegible] | [illegible] | [illegible] |
| Biochf | 55845 | [illegible] | [illegible] | [illegible] | [illegible] |
| ReadRt | 48692 | [illegible] | [illegible] | [illegible] | [illegible] |
| Oracle | 48880 | [illegible] | [illegible] | [illegible] | [illegible] |
| FPA Md | 47822 | [illegible] | [illegible] | [illegible] | [illegible] |
| OdomS s | 47345 | [illegible] | [illegible] | [illegible] | [illegible] |
| Biogen s | 46492 | [illegible] | [illegible] | [illegible] | [illegible] |
| DellCpt s | 44182 | [illegible] | [illegible] | [illegible] | [illegible] |
| SunMic s | 43351 | [illegible] | [illegible] | [illegible] | [illegible] |
| Microsft s | 41991 | [illegible] | [illegible] | [illegible] | [illegible] |
| Atmel | 41457 | [illegible] | [illegible] | [illegible] | [illegible] |

**AMEX**

| | Vol. | High | Low | Last | Chg. |
|---|---|---|---|---|---|
| ElPasoE | 11704 | 7 | [illegible] | [illegible] | [illegible] |
| PassiC | 11124 | [illegible] | [illegible] | [illegible] | [illegible] |
| Nabors | 10244 | [illegible] | [illegible] | [illegible] | [illegible] |
| TexBiotch | 9634 | [illegible] | [illegible] | [illegible] | [illegible] |
| XCL Ltd | 9112 | [illegible] | [illegible] | [illegible] | [illegible] |
| SPDR | 8426 | [illegible] | [illegible] | [illegible] | [illegible] |
| ViacB | 7267 | [illegible] | [illegible] | [illegible] | [illegible] |
| Hasbro s | 6841 | [illegible] | [illegible] | [illegible] | [illegible] |
| TotlPet | 6805 | [illegible] | [illegible] | [illegible] | [illegible] |
| ForstLb | 4739 | [illegible] | [illegible] | [illegible] | [illegible] |

### Trading Activity

**NYSE**

| | Close | Prev. |
|---|---|---|
| Advanced | 1291 | 1455 |
| Declined | 1201 | 1136 |
| Unchanged | 879 | 772 |
| Total issues | 3371 | 3363 |
| New Highs | 148 | 174 |
| New Lows | 9 | 9 |

**Nasdaq**

| | Noon | Prev. |
|---|---|---|
| Advanced | 1651 | 2189 |
| Declined | 1597 | 1820 |
| Unchanged | 2225 | 1722 |
| Total issues | 5473 | 5731 |
| New Highs | 81 | 141 |
| New Lows | 82 | 63 |

**AMEX**

| | Close | Prev. |
|---|---|---|
| Advanced | 277 | 286 |
| Declined | 253 | 265 |
| Unchanged | 185 | 180 |
| Total issues | 715 | 731 |
| New Highs | 30 | 34 |
| New Lows | 8 | 4 |

**Market Sales**

| | Today 4:00 | Prev. cons. |
|---|---|---|
| NYSE | 430.58 | 538.18 |
| Amex | 18.48 | 23.51 |
| Nasdaq | 514.38 | 654.89 |

*In millions.*

### Dividends

| Company | Per | Amt | Rec | Pay |
|---|---|---|---|---|
| **IRREGULAR** | | | | |
| Bk OF Ireland | b | .8818 | 6-2 | 7-21 |
| British Airways | b | 2.200 | 6-6 | 8-7 |
| Comstock Ptnrs A | - | .0483 | 5-21 | 5-30 |
| Comstock Ptnrs C | - | .0415 | 5-21 | 5-30 |
| Comstock Ptnrs O | - | .05 | 5-21 | 5-30 |
| EuroPacific Grwth | - | .97 | 5-30 | 6-2 |
| Loewen Group | - | .10 | 6-18 | 7-2 |
| Managers Bd Fd | - | .12 | 5-23 | 5-28 |
| Marine Petrol | - | .4636 | 5-31 | 6-28 |
| New Perspective | - | .10 | 5-30 | 6-2 |
| Teva Pharmaceuti | b | .0886 | 5-28 | 6-12 |
| **STOCK** | | | | |
| Huntington Bnc | - | 10% | 7-15 | 7-31 |
| **STOCK SPLIT** | | | | |
| Bank YorbaLinda 4 for 3 split. | | | | |
| Cellstar Corp 3 for 2 split. | | | | |
| Fort Wayne 3 for 2 split. | | | | |
| Security Fst Corp 3 for 2 split. | | | | |
| Utd Natl Bncp 2 for 1 split. | | | | |
| **INCREASED** | | | | |
| Baltimore G&E. | Q | .41 | 6-10 | 7-1 |
| Barnett Bks | Q | .31 | 6-6 | 7-1 |
| Central Sthn Hld | Q | .08 | 6-2 | 6-15 |
| JDN Realty | Q | .50 | 6-20 | 6-30 |
| Marion Capital | Q | .22 | 5-30 | 6-13 |
| Security Fst Corp | Q | .12 | 6-16 | 6-30 |
| Talbot Inc | Q | .11 | 6-2 | 6-16 |
| Yankee Energy | Q | .335 | 6-6 | 6-27 |
| **INITIAL** | | | | |
| Bank YorbaLinda | - | .05 | 6-6 | 6-30 |
| Britton Koontz n | - | .27 | 5-30 | 6-16 |
| Dime Community | - | .045 | 6-2 | 6-27 |
| Telecom NwZeal | b | .6835 | 6-5 | 6-25 |
| **REDUCED** | | | | |
| Gaz Metro g | Q | .325 | 6-15 | 7-1 |
| Managers Shtin | M | .07 | 5-23 | 5-28 |
| **REGULAR** | | | | |
| Am Express | Q | .225 | 7-3 | 8-8 |
| Citizens Bncshrs | Q | .27 | 6-30 | 7-10 |
| Eastern Enterprise | Q | .40 | 6-2 | 7-2 |
| Imperial Oil A g | Q | .55 | 6-2 | 7-1 |
| Mercantile Bncp | Q | .43 | 6-10 | 7-1 |
| Nordson Corp | Q | .20 | 6-6 | 6-24 |
| Northrop Grum | Q | .40 | 6-2 | 6-14 |
| PG&E. | Q | .30 | 6-16 | 7-15 |
| Sbarro Inc | Q | .27 | 6-18 | 7-8 |
| Student Ln Mkt | Q | .44 | 6-6 | 6-20 |
| Student Ln adjptA | - | .625 | 6-13 | 6-30 |
| United Illum | Q | .72 | 6-12 | 7-1 |
| Wa Water | Q | .21 | 5-30 | 6-13 |
| Yankee Energy | Q | .335 | 6-6 | 6-27 |

a-annual; b-approximate amount per share/ADR; g-payable in Canadian funds; m-monthly; q-quarterly; s-semi-annual

### Stock Tables Explained

Sales figures are unofficial. Yearly highs and lows reflect the previous 52 weeks plus the current week, but not the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the years high-low range and dividend are shown for the new stocks only. Unless otherwise noted, rates of dividends are annual disbursements based on the latest declaration. a - dividend also extra (s). b - annual rate of dividend plus stock dividend. c - liquidating dividend. cc - PE exceeds 99.cld - called. d - new yearly low. dd - loss in the last 12 months. e - dividend declared or paid in preceding 12 months. f - annual rate, increased on last declaration. g - dividend in Canadian funds, subject to 15% non-residence tax. i - dividend declared after split-up or stock dividend. j - dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k - dividend declared or paid this year, an accumulative issue with dividends in arrears. m - annual rate, reduced on last declaration. n - new issue in the past 52 weeks. The high-low range begins with the start of trading. nd - next day delivery. p - initial dividend, annual rate unknown. P/E - price-earnings ratio. q - closed-end mutual fund. r - dividend declared or paid in preceding 12 months, plus stock dividend. s - stock split. Dividend begins with date of split. sls - sales. t - dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u - new yearly high. v - trading halted. vi - in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd - when distributed. wi - when issued/ ww - with warrants. x - ex-dividend or ex-rights. xdis - ex-distribution. xw - without warrants. y- ex-dividend and sales in full. yld - yield. z - sales in full.

## INTERNATIONAL FUTURES

**May 22, 1997**

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **Grains** | | | | | |
| **CORN (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Jul 97 | 277¾ | 273 | 273¼ | —3½ | 124,566 |
| Sep 97 | 265¾ | 261½ | 262½ | —1 | 28,967 |
| Dec 97 | 263¾ | 259¾ | 260¾ | —1¼ | 112,458 |
| Mar 98 | 269 | 266¼ | 266½ | —1 | 12,057 |
| May 98 | 271½ | 265 | 270½ | —1½ | 1,219 |
| Jul 98 | 275 | 273¼ | 274½ | —1¼ | 2,957 |
| Dec 98 | 263½ | 262 | 262¾ | | 3,276 |
| Est. sales N.A. Wed's. sales 54,125 | | | | | |
| Wed's open int 284,194 off 740 | | | | | |
| **SOYBEAN MEAL (CBOT)** 100 tons- dollars per ton | | | | | |
| Jul 97 | 288.00 | 283.00 | 283.80 | —1.00 | 51,885 |
| Aug 97 | 273.00 | 268.00 | 268.60 | —1.40 | 15,461 |
| Sep 97 | 254.00 | 249.00 | 249.00 | —2.40 | 9,412 |
| Oct 97 | 236.00 | 233.00 | 233.00 | —1.30 | 10,461 |
| Dec 97 | 226.88 | 223.00 | 223.90 | —1.00 | 19,711 |
| Jan 98 | 222.50 | 220.00 | 220.00 | —2.50 | 1,703 |
| Est. sales N.A. Wed's. sales 26,764 | | | | | |
| Wed's open int 110,742 off 331 | | | | | |
| **SOYBEAN OIL (CBOT)** 60,000 lbs- cents per lb | | | | | |
| Jul 97 | 23.73 | 23.58 | 23.63 | +0.18 | 51,318 |
| Aug 97 | 23.92 | 23.72 | 23.82 | +0.18 | 14,212 |
| Sep 97 | 24.05 | 23.87 | 23.99 | +0.20 | 8,500 |
| Oct 97 | 24.05 | 23.92 | 24.01 | +0.18 | 8,920 |
| Dec 97 | 24.25 | 24.08 | 24.20 | +0.20 | 17,885 |
| Jan 98 | 24.40 | 24.27 | 24.36 | +0.20 | 1,073 |
| Est. sales N.A. Wed's. sales 25,148 | | | | | |
| Wed's open int 102,261 off 1589 | | | | | |
| **SOYBEANS (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Jul 97 | 859 | 845 | 846½ | —¾ | 95,008 |
| Aug 97 | 830 | 815 | 816 | —1¾ | 23,412 |
| Sep 97 | 739½ | 730½ | 731¼ | —2¾ | 9,230 |
| Nov 97 | 695½ | 688½ | 689 | —7½ | 49,579 |
| Jan 98 | 699 | 692½ | 692½ | —1¾ | 5,010 |
| Est. sales N.A. Wed's. sales 63,917 | | | | | |
| Wed's open int 184,592 up 572 | | | | | |
| **WHEAT (CBOT)** 5,000 bu minimum- cents per bushel | | | | | |
| Jul 97 | 384¾ | 376½ | 377¼ | —5 | 49,466 |
| Sep 97 | 393 | 384½ | 384½ | —5 | 13,014 |
| Dec 97 | 403½ | 396 | 397 | —4½ | 17,214 |
| Mar 98 | 405 | 398 | 398¾ | —4¼ | 1,411 |
| Est. sales N.A. Wed's. sales 14,554 | | | | | |
| Wed's open int 81,509 off 892 | | | | | |
| **Livestock** | | | | | |
| **CATTLE (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| Jun 97 | 65.50 | 65.05 | 65.32 | +0.10 | 28,967 |
| Aug 97 | 65.70 | 65.12 | 65.45 | +0.15 | 37,456 |
| Oct 97 | 69.12 | 68.67 | 68.97 | +0.12 | 18,384 |
| Dec 97 | 71.37 | 70.92 | 71.27 | +0.32 | 9,471 |
| Feb 98 | 71.42 | 71.00 | 71.15 | +0.20 | 5,180 |
| Apr 98 | 73.25 | 72.85 | 73.12 | +0.32 | 1,674 |
| Est. sales 12,966 Wed's. sales 10,913 | | | | | |
| Wed's open int 101,147 off 113 | | | | | |
| **FEEDER CATTLE (CMER)** 50,000 lbs.- cents per lb. | | | | | |
| May 97 | 76.50 | 76.22 | 76.27 | —0.40 | 2,147 |
| Aug 97 | 78.50 | 77.50 | 78.42 | +0.77 | 10,759 |
| Sep 97 | 78.10 | 77.35 | 78.05 | +0.50 | 2,070 |
| Oct 97 | 78.12 | 77.40 | 78.10 | +0.45 | 3,283 |
| Nov 97 | 79.45 | 78.70 | 79.45 | +0.65 | 1,491 |
| Jan 98 | 79.90 | 79.40 | 79.85 | +0.30 | 415 |
| Est. sales 3,271 Wed's. sales 1,954 | | | | | |
| Wed's open int 20,526 up 52 | | | | | |
| **HOGS-Lean (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| Jun 97 | 82.12 | 81.25 | 81.37 | —0.37 | 11,709 |
| Jul 97 | 82.85 | 81.90 | 82.05 | —0.52 | 10,679 |
| Aug 97 | 80.52 | 79.62 | 79.77 | —0.45 | 7,018 |
| Oct 97 | 73.30 | 72.40 | 72.47 | —0.65 | 5,564 |
| Dec 97 | 71.00 | 70.20 | 70.40 | —0.25 | 3,534 |
| Est. sales 9,172 Wed's. sales 13,597 | | | | | |
| Wed's open int 41,183 off 952 | | | | | |
| **PORK BELLIES (CMER)** 40,000 lbs.- cents per lb. | | | | | |
| May 97 | 93.75 | 92.00 | 93.75 | +1.32 | 197 |
| Jul 97 | 94.75 | 92.55 | 94.15 | +0.80 | 6,406 |
| Aug 97 | 93.85 | 91.75 | 93.15 | +0.75 | 1,874 |
| Est. sales 4,360 Wed's. sales 3,341 | | | | | |
| Wed's open int 8,671 up 23 | | | | | |
| **Food** | | | | | |
| **COCOA (NCSE)** 10 metric tons- $ per ton | | | | | |
| Jul 97 | 1498 | 1460 | 1463 | —23 | 32,417 |
| Sep 97 | 1523 | 1490 | 1493 | —19 | 13,805 |
| Dec 97 | 1552 | 1522 | 1526 | —18 | 18,286 |
| Mar 98 | 1577 | 1550 | 1551 | —18 | 20,711 |
| May 98 | | | 1573 | —18 | 8,531 |
| Jul 98 | | | 1593 | —18 | 502 |
| Est. sales 6,317 Wed's. sales 6,478 | | | | | |
| Wed's open int 96,289 up 1435 | | | | | |
| **COFFEE C (NCSE)** 37,500 lbs.- cents per lb. | | | | | |
| Jul 97 | 265.00 | 254.00 | 260.30 | +7.20 | 15,157 |
| Sep 97 | 233.50 | 226.25 | 229.95 | +4.90 | 7,484 |
| Dec 97 | 202.15 | 197.00 | 199.85 | +3.70 | 4,889 |
| Mar 98 | 188.00 | 183.00 | 183.35 | +0.35 | 1,982 |
| May 98 | 177.00 | 175.00 | 175.65 | +2.65 | 410 |
| Est. sales 10,220 Wed's. sales 10,756 | | | | | |
| Wed's open int 30,717 off 97 | | | | | |
| **SUGAR-WORLD 11 (NCSE)** 112,000 lbs.- cents per lb. | | | | | |
| Jul 97 | 11.21 | 10.94 | 11.06 | —0.09 | 74,657 |
| Oct 97 | 11.00 | 10.78 | 10.87 | —0.05 | 42,745 |
| Mar 98 | 10.90 | 10.73 | 10.82 | —0.02 | 26,794 |
| May 98 | 10.80 | 10.70 | 10.75 | —0.02 | 6,041 |
| Est. sales 21,839 Wed's. sales 236 | | | | | |
| Wed's open int 152,028 up 3322 | | | | | |

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **ORANGE JUICE (NCTN)** 15,000 lbs.- cents per lb. | | | | | |
| Jul 97 | 84.70 | 80.80 | 82.70 | +0.35 | 16,225 |
| Sep 97 | 86.70 | 83.00 | 84.65 | +0.15 | 7,196 |
| Nov 97 | 88.65 | 85.25 | 87.20 | +0.45 | 3,427 |
| Jan 98 | 90.55 | 88.00 | 89.75 | +0.75 | 1,587 |
| Est. sales N.A. Wed's. sales 1,730 | | | | | |
| Wed's open int 29,764 off 287 | | | | | |
| **Metals** | | | | | |
| **GOLD (NCMX)** 100 troy oz.- dollars per troy oz. | | | | | |
| May 97 | | | 342.80 | —0.30 | 1 |
| Jun 97 | 344.20 | 342.70 | 343.30 | —0.50 | 54,179 |
| Jul 97 | | | 344.50 | —0.50 | |
| Aug 97 | 346.50 | 345.50 | 345.70 | —0.60 | 27,484 |
| Oct 97 | 348.80 | 348.20 | 348.50 | —0.60 | 6,968 |
| Dec 97 | 352.00 | 351.00 | 351.30 | —0.60 | 22,446 |
| Feb 98 | 354.00 | 353.80 | 354.00 | —0.60 | 6,418 |
| Apr 98 | | | 356.50 | —0.60 | 3,833 |
| Jun 98 | | | 359.30 | —0.60 | 6,995 |
| Est. sales 43,000 Wed's. sales 21,187 | | | | | |
| Wed's open int 159,424 off 42 | | | | | |
| **HI GRADE COPPER (NCMX)** 25,000 lbs.- cents per lb. | | | | | |
| May 97 | 120.20 | 118.20 | 119.30 | +0.75 | 1,243 |
| Jun 97 | 119.50 | 118.25 | 119.05 | +0.75 | 3,497 |
| Jul 97 | 119.70 | 117.80 | 118.95 | +0.75 | 33,725 |
| Aug 97 | 117.80 | 107.20 | 116.25 | +0.35 | 1,770 |
| Sep 97 | 114.70 | 113.50 | 113.85 | +0.20 | 6,510 |
| Oct 97 | 112.20 | 111.80 | 111.95 | +0.05 | 1,070 |
| Nov 97 | 111.40 | 110.15 | 110.15 | | 1,171 |
| Dec 97 | 109.40 | 108.65 | 108.65 | —0.05 | 4,734 |
| Jan 98 | 107.30 | 106.85 | 106.85 | —0.05 | 507 |
| Est. sales N.A. Wed's. sales 6,506 | | | | | |
| Wed's open int 61,046 off 249 | | | | | |
| **SILVER (NCMX)** 5,000 troy oz.- cents per troy oz. | | | | | |
| May 97 | 469.00 | 465.00 | 465.00 | —1.50 | 69 |
| Jun 97 | | | 465.50 | —1.70 | 2 |
| Jul 97 | 470.50 | 466.00 | 467.80 | —1.70 | 60,053 |
| Sep 97 | 474.50 | 472.00 | 472.70 | —1.80 | 6,388 |
| Dec 97 | 481.00 | 478.50 | 479.90 | —1.80 | 7,303 |
| Jan 98 | | | 482.20 | —1.80 | 17 |
| Mar 98 | 487.50 | 486.00 | 487.50 | —1.80 | 7,964 |
| May 98 | | | 492.50 | —1.70 | 2,709 |
| Est. sales 7,000 Wed's. sales 6,231 | | | | | |
| Wed's open int 90,575 up 307 | | | | | |
| **PLATINUM (NMER)** 50 troy oz.- dollars per troy oz. | | | | | |
| Jul 97 | 392.00 | 386.50 | 389.00 | —3.10 | 14,668 |
| Oct 97 | 391.50 | 386.50 | 387.50 | —4.60 | 4,380 |
| Jan 98 | | | 388.50 | —4.60 | 1,200 |
| Est. sales N.A. Wed's. sales 1,811 | | | | | |
| Wed's open int 20,264 off 265 | | | | | |

**LONDON METALS (LME)** Dollars per metric ton

| | Close | | Previous | |
|---|---|---|---|---|
| **Aluminum (High Grade)** | | | | |
| Spot | 1628.00 | 1629.00 | 1635½ | 1636½ |
| Forward | 1639½ | 1640.00 | 1650½ | 1651½ |
| **Copper Cathodes (High Grade)** | | | | |
| Spot | 2619½ | 2621½ | 2586½ | 2588½ |
| Forward | 2522½ | 2523½ | 2507.00 | 2508.00 |
| **Lead** | | | | |
| Spot | 635½ | 636½ | 629.00 | 630.00 |
| Forward | 644.00 | 644½ | 640.00 | 641.00 |
| **Nickel** | | | | |
| Spot | 7525.00 | 7535.00 | 7465.00 | 7475.00 |
| Forward | 7635.00 | 7640.00 | 7580.00 | 7585.00 |
| **Tin** | | | | |
| Spot | 5715.00 | 5725.00 | 5725.00 | 5735.00 |
| Forward | 5765.00 | 5770.00 | 5770.00 | 5780.00 |
| **Zinc (Special High Grade)** | | | | |
| Spot | 1347½ | 1348½ | 1333½ | 1333½ |
| Forward | 1368.00 | 1368½ | 1354.00 | 1355.00 |

| | High | Low | Close | Chge | OpInt |
|---|---|---|---|---|---|
| **Financial** | | | | | |
| **US T. BILLS (CMER)** $1 million- pts of 100 pct. | | | | | |
| Jun 97 | 94.84 | 94.82 | 94.83 | —0.01 | 5,073 |
| Sep 97 | 94.58 | 94.55 | 94.55 | | 4,858 |
| Dec 97 | | | 94.48 | | 847 |
| Est. sales N.A. Wed's. sales 1,150 | | | | | |
| Wed's open int 9,931 off 173 | | | | | |
| **5 YR. TREASURY (CBOT)** $100,000 prin- pts & 64ths of 100 pct | | | | | |
| Jun 97 | 105-25 | 105-15 | 105-17 | —07 | 202,573 |
| Sep 97 | 105-10 | 105-02 | 105-04 | —06 | 24,845 |
| Dec 97 | | | 104-30 | —06 | 277 |
| Est. sales N.A. Wed's. sales 70,925 | | | | | |
| Wed's open int 227,695 up 3509 | | | | | |
| **10 YR. TREASURY (CBOT)** $100,000 prin- pts & 32nds of 100 pct | | | | | |
| Jun 97 | 107-07 | 106-30 | 107-01 | —04 | 290,671 |
| Sep 97 | 106-23 | 106-16 | 106-17 | —05 | 68,945 |
| Dec 97 | 106-08 | 106-06 | 106-06 | —05 | 1,856 |
| Est. sales N.A. Wed's. sales 103,067 | | | | | |
| Wed's open int 361,481 up 2319 | | | | | |
| **US TREASURY BONDS (CBOT)** (8 pct-$100,000-pts & 32nds of 100 pct) | | | | | |
| Jun 97 | 109-12 | 108-30 | 109-02 | —07 | 432,149 |
| Sep 97 | 108-31 | 108-18 | 108-22 | —06 | 75,569 |
| Dec 97 | 108-16 | 108-08 | 108-08 | —07 | 25,864 |
| Mar 98 | | | 107-30 | —07 | 2,088 |
| Est. sales N.A. Wed's. sales 570,504 | | | | | |
| Wed's open int 537,323 off 12248 | | | | | |
| **LIBOR 1-MONTH (CMER)** $3 million- pts of 100 pct. | | | | | |
| Jun 97 | 94.30 | 94.29 | 94.29 | | 14,506 |
| Jul 97 | 94.22 | 94.20 | 94.21 | | 7,683 |
| Aug 97 | 94.16 | 94.14 | 94.15 | | 3,490 |
| Est. sales N.A. Wed's. sales 26,644 | | | | | |
| Wed's open int 28,400 off 20660 | | | | | |
| **LONG GILT (LIFFE)** £50,000 - pts & 32nds of 100 pct | | | | | |
| Jun97 | 112-30 | 111-21 | 112-28 | — 1-02 | 186,307 |
| Sep97 | 113-03 | 111-30 | 112-02 | — 1-04 | 20,520 |
| Est. sales: 150,949. Prev. sales: 145,153 | | | | | |
| Prev open int.: 206,827 off 22,273 | | | | | |

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| **GERMAN GOVERNMENT BUND (LIFFE)** DM250,000 - pts of 100 pct | | | | | |
| Jun97 | 101.25 | 100.63 | 100.73 | — 0.50 | 244,940 |
| Sep97 | 100.03 | 99.67 | 101.15 | — 0.52 | 31,256 |
| Est. sales: 343,108. Prev. sales: 320,296 | | | | | |
| Prev. open int.: 276,466 off 13,178 | | | | | |
| **ITALIAN GOVERNMENT BOND (LIFFE)** ITL 200 million - pts of 100 pct | | | | | |
| Jun97 | 130.43 | 129.30 | 129.45 | — 1.00 | 97,582 |
| Sep97 | 130.94 | 130.00 | 129.95 | — 1.04 | 14,714 |
| Est. sales: 79,204. Prev. sales: 95,260 | | | | | |
| Prev. open int.: 112,296 off 6,739 | | | | | |
| **10-YEAR FRENCH GOV. BONDS (MATIF)** FF500,000 - pts of 100 pct | | | | | |
| Jun 97 | 129.40 | 128.78 | 128.84 | — 0.74 | 159,104 |
| Sep 97 | 127.80 | 127.28 | 127.26 | — 0.74 | 14,620 |
| Dec 97 | 97.12 | 97.12 | 96.68 | — 0.74 | 0 |
| Est. volume: 231,779. Open int.: 173,724 off 4,737. | | | | | |
| **EURODOLLARS (CMER)** $1 million-pts of 100 pct. | | | | | |
| Jun 97 | 94.18 | 94.16 | 94.17 | | 445,173 |
| Jul 97 | 94.09 | 94.08 | 94.08 | | 13,095 |
| Sep 97 | 93.96 | 93.91 | 93.95 | | 468,184 |
| Dec 97 | 93.73 | 93.67 | 93.71 | —0.02 | 356,313 |
| Mar 98 | 93.62 | 93.56 | 93.59 | —0.03 | 263,619 |
| Jun 98 | 93.51 | 93.45 | 93.48 | —0.03 | 227,716 |
| Sep 98 | 93.41 | 93.36 | 93.39 | —0.02 | 171,756 |
| Dec 98 | 93.30 | 93.25 | 93.28 | —0.02 | 124,024 |
| Mar 99 | 93.28 | 93.23 | 93.26 | —0.02 | 96,031 |
| Jun 99 | 93.23 | 93.19 | 93.21 | —0.02 | 80,067 |
| Sep 99 | 93.18 | 93.14 | 93.16 | —0.02 | 66,530 |
| Dec 99 | 93.10 | 93.06 | 93.08 | —0.02 | 60,767 |
| Est. sales N.A. Wed's. sales 445,456 | | | | | |
| Wed's open int 2,493,605 up 6940 | | | | | |
| **BRITISH POUND (CMER)** 62,500 pounds, $ per pound | | | | | |
| Jun 97 | 1.6476 | 1.6220 | 1.6226 | | 42,751 |
| Sep 97 | 1.6380 | 1.6190 | 1.6200 | | 6,669 |
| Dec 97 | | | 1.6172 | | 116 |
| Est. sales N.A. Wed's. sales 18,760 | | | | | |
| Wed's open int 49,536 up 5120 | | | | | |
| **CANADIAN DOLLAR (CMER)** 100,000 dollars, $ per Cdn. dlr | | | | | |
| Jun 97 | .7327 | .7296 | .7301 | | 57,339 |
| Sep 97 | .7362 | .7340 | .7345 | | 7,487 |
| Dec 97 | .7396 | .7380 | .7383 | | 1,544 |
| Est. sales N.A. Wed's. sales 8,736 | | | | | |
| Wed's open int 67,547 off 1123 | | | | | |
| **GERMAN MARK (CMER)** 125,000 marks, $ per mark | | | | | |
| Jun 97 | .5936 | .5888 | .5914 | | 76,620 |
| Sep 97 | .5974 | .5945 | .5953 | | 4,047 |
| Dec 97 | | | .5993 | | 519 |
| Est. sales N.A. Wed's. sales 25,230 | | | | | |
| Wed's open int 81,308 off 1223 | | | | | |
| **JAPANESE YEN (CMER)** 12.5 million yen, $ per 100 yen | | | | | |
| Jun 97 | .8803 | .8627 | .8654 | | 85,474 |
| Sep 97 | .8890 | .8750 | .8768 | | 5,064 |
| Dec 97 | .8995 | .8878 | .8884 | | 790 |
| Est. sales N.A. Wed's. sales 31,235 | | | | | |
| Wed's open int 91,339 off 2984 | | | | | |
| **SWISS FRANC (CMER)** 125,000 francs, $ per franc | | | | | |
| Jun 97 | .7150 | .7059 | .7099 | | 47,382 |
| Sep 97 | .7209 | .7140 | .7176 | | 4,931 |
| Dec 97 | .7274 | .7274 | .7255 | | 442 |
| Est. sales N.A. Wed's. sales 31,126 | | | | | |
| Wed's open int 52,807 up 1981 | | | | | |
| **MEXICAN PESO (CMER)** 500,000 pesos, $ per peso | | | | | |
| Jun 97 | .12610 | .12575 | .12600 | | 16,574 |
| Sep 97 | .12150 | .12110 | .12140 | | 10,265 |
| Dec 97 | .11710 | .11677 | .11697 | | 6,731 |
| Est. sales N.A. Wed's. sales 6,077 | | | | | |
| Wed's open int 25,357 off 151 | | | | | |
| **3-MONTH STERLING (LIFFE)** £500,000 - pts of 100 pct | | | | | |
| Jun97 | 93.44 | 93.42 | 93.43 | — 0.01 | 117,675 |
| Sep97 | 93.20 | 93.15 | 93.17 | — 0.01 | 104,330 |
| Dec97 | 93.01 | 92.96 | 92.97 | — 0.03 | 96,689 |
| Mar98 | 92.87 | 92.81 | 92.82 | — 0.05 | 61,406 |
| Jun98 | 92.76 | 92.70 | 92.71 | — 0.06 | 43,165 |
| Sep98 | 92.70 | 92.62 | 92.63 | — 0.08 | 31,535 |
| Dec98 | 92.66 | 92.58 | 92.58 | — 0.10 | 25,876 |
| Mar99 | 92.65 | 92.56 | 92.56 | — 0.11 | 18,660 |
| Jun99 | 92.64 | 92.53 | 92.54 | — 0.11 | 11,250 |
| Est. sales: 90,505. Prev. sales: 80,954 | | | | | |
| Prev. open int.: 529,057 off 2,746 | | | | | |
| **3-MONTH EUROMARK (LIFFE)** DM1 million - pts of 100 pct | | | | | |
| Jun97 | 96.80 | 96.78 | 96.80 | Unch. | 232,757 |
| Jul97 | N.T. | N.T. | 96.79 | Unch. | 1,462 |
| Aug97 | N.T. | N.T. | 96.77 | Unch. | |
| Sep97 | 96.74 | 96.71 | 96.72 | — 0.01 | 208,891 |
| Dec97 | 96.60 | 96.54 | 96.57 | — 0.02 | 235,046 |
| Mar98 | 96.45 | 96.40 | 96.42 | — 0.03 | 210,055 |
| Jun98 | 96.28 | 96.22 | 96.23 | — 0.05 | 154,569 |
| Sep98 | 96.06 | 96.00 | 96.02 | — 0.05 | 123,372 |
| Dec98 | 95.80 | 95.76 | 95.77 | — 0.05 | 86,736 |
| | | | | | 73,493 |
| Est. sales: 232,736. Prev. sales: 168,775 | | | | | |
| Prev. open int.: 1,450,533 up 13,028 | | | | | |
| **3-MONTH PIBOR (MATIF)** FF5 million - pts of 100 pct | | | | | |
| Jun 97 | 96.51 | 96.45 | 96.47 | — 0.04 | 46,735 |
| Sep 97 | 96.51 | 96.45 | 96.47 | — 0.05 | 56,267 |
| Dec 97 | 96.48 | 96.43 | 96.43 | — 0.05 | 33,532 |
| Mar 98 | 96.40 | 96.34 | 96.34 | — 0.07 | 28,382 |
| Jun 98 | 96.27 | 96.21 | 96.22 | — 0.07 | 24,689 |
| Sep 98 | 96.11 | 96.06 | 96.06 | — 0.07 | 21,985 |
| Dec 98 | 95.90 | 95.86 | 95.84 | — 0.09 | 15,586 |
| Mar 99 | 95.67 | 95.60 | 95.60 | — 0.10 | 13,842 |
| Jun 99 | 95.47 | 95.40 | 95.40 | — 0.09 | 7,021 |
| Est. volume: 72,828. Open int.: 261,269 up 3,451. | | | | | |
| **3-MONTH EUROLIRA (LIFFE)** ITL 1 million - pts of 100 pct | | | | | |
| Jun97 | 93.40 | 93.34 | 93.35 | — 0.03 | 103,167 |
| Sep97 | 93.77 | 93.64 | 93.64 | — 0.06 | 90,922 |
| Dec97 | 93.85 | 93.77 | 93.77 | — 0.08 | 53,593 |
| Mar98 | 93.92 | 93.82 | 93.82 | — 0.09 | 34,027 |

| | High | Low | Latest | Chge | OpInt |
|---|---|---|---|---|---|
| Jun98 | 93.92 | 93.82 | 93.82 | — 0.10 | 26,016 |
| Sep98 | 93.89 | 93.80 | 93.80 | — 0.10 | 8,615 |
| Est. sales: 44,599. Prev. sales: 49,502 | | | | | |
| Prev. open int.: 321,048 up 1,937 | | | | | |
| **Industrials** | | | | | |
| **COTTON 2 (NCTN)** 50,000 lbs.- cents per lb. | | | | | |
| Jul 97 | 72.80 | 72.42 | 72.61 | +0.49 | 36,677 |
| Oct 97 | 74.25 | 72.85 | 74.15 | +0.48 | 3,878 |
| Dec 97 | 75.00 | 74.75 | 74.85 | +0.33 | 25,552 |
| Mar 98 | 76.15 | 76.05 | 76.10 | +0.35 | 3,574 |
| May 98 | 76.85 | 76.80 | 76.85 | +0.35 | 928 |
| Est. sales N.A. Wed's. sales 5,387 | | | | | |
| Wed's open int 73,085 up 466 | | | | | |
| **HEATING OIL (NMER)** 42,000 gal, cents per gal | | | | | |
| Jun 97 | 58.05 | 57.25 | 57.80 | +0.25 | 21,559 |
| Jul 97 | 58.15 | 57.40 | 57.85 | +0.17 | 36,852 |
| Aug 97 | 58.60 | 58.15 | 58.30 | +0.17 | 17,974 |
| Sep 97 | 59.20 | 58.90 | 58.90 | +0.17 | 9,481 |
| Oct 97 | 59.90 | 59.50 | 59.55 | +0.17 | 8,195 |
| Nov 97 | 60.60 | 59.75 | 60.20 | +0.17 | 7,271 |
| Dec 97 | 61.10 | 60.30 | 60.75 | +0.17 | 12,445 |
| Jan 98 | 61.40 | 61.05 | 61.05 | +0.17 | 8,001 |
| Feb 98 | 60.90 | 60.60 | 60.60 | +0.17 | 3,604 |
| Est. sales N.A. Wed's. sales 27,484 | | | | | |
| Wed's open int 135,561 off 829 | | | | | |
| **LIGHT SWEET CRUDE (NMER)** 1,000 bbl.- dollars per bbl. | | | | | |
| Jul 97 | 22.08 | 21.76 | 21.83 | —0.03 | 118,375 |
| Aug 97 | 22.08 | 21.76 | 21.85 | —0.02 | 46,517 |
| Sep 97 | 21.90 | 21.68 | 21.74 | —0.02 | 29,908 |
| Oct 97 | 21.73 | 21.59 | 21.64 | | 17,672 |
| Nov 97 | 21.56 | 21.45 | 21.56 | +0.04 | 16,661 |
| Dec 97 | 21.46 | 21.31 | 21.31 | —0.09 | 37,496 |
| Jan 98 | 21.33 | 21.30 | 21.32 | +0.02 | 16,433 |
| Feb 98 | 21.23 | 21.12 | 21.23 | +0.01 | 7,361 |
| Mar 98 | 21.14 | 21.07 | 21.10 | —0.04 | 4,444 |
| Apr 98 | 21.03 | 21.00 | 21.00 | —0.06 | 4,125 |
| Est. sales N.A. Wed's. sales 84,596 | | | | | |
| Wed's open int 84,596 off 319968 | | | | | |
| **NATURAL GAS (NMER)** 10,000 mm btu's, $ per mm btu | | | | | |
| Jun 97 | 2.250 | 2.185 | 2.196 | | 22,848 |
| Jul 97 | 2.280 | 2.210 | 2.224 | | 36,947 |
| Aug 97 | 2.280 | 2.235 | 2.235 | | 20,332 |
| Sep 97 | 2.260 | 2.225 | 2.225 | | 16,870 |
| Oct 97 | 2.265 | 2.225 | 2.235 | | 18,909 |
| Nov 97 | 2.350 | 2.320 | 2.320 | | 7,774 |
| Dec 97 | 2.470 | 2.443 | 2.445 | | 12,540 |
| Mar 98 | 2.270 | 2.255 | 2.255 | | 6,175 |
| Est. sales N.A. Wed's. sales 38,150 | | | | | |
| Wed's open int 208,817 up 597 | | | | | |
| **UNLEADED GASOLINE (NMER)** 42,000 gal, cents per gal | | | | | |
| Jun 97 | 67.30 | 66.15 | 66.93 | +0.40 | 30,279 |
| Jul 97 | 65.40 | 64.55 | 65.10 | +0.33 | 33,799 |
| Aug 97 | 64.20 | 63.65 | 63.84 | +0.12 | 10,674 |
| Sep 97 | 63.10 | 62.59 | 62.59 | +0.07 | 4,614 |
| Oct 97 | 60.60 | 60.49 | 60.49 | —0.03 | 2,772 |
| Nov 97 | 59.80 | 59.64 | 59.64 | —0.08 | 1,879 |
| Dec 97 | | | 59.20 | —0.10 | 3,938 |
| Est. sales N.A. Wed's. sales 33,731 | | | | | |
| Wed's open int 92,226 up 480 | | | | | |
| **GASOIL (IPE)** U.S. dollars per metric ton - lots of 100 tons | | | | | |
| Jun 97 | 179.50 | 177.25 | 179.00 | +2.75 | 24,937 |
| Jul 97 | 180.25 | 178.50 | 179.50 | +2.00 | 12,662 |
| Aug 97 | 181.50 | 180.00 | 181.25 | +2.25 | 8,088 |
| Sept 97 | 183.00 | 182.00 | 182.75 | +2.00 | 3,643 |
| Oct 97 | 184.50 | 183.50 | 184.50 | +2.00 | 4,388 |
| Nov 97 | N.T. | N.T. | 185.75 | +2.00 | 1,902 |
| Dec 97 | 186.50 | 185.75 | 186.25 | +1.75 | 7,711 |
| Est. sales: 14,778 . Open int.: 67,874 up 369 | | | | | |
| **BRENT OIL (IPE)** U.S. dollars per barrel - lots of 1,000 barrels | | | | | |
| July 97 | 20.35 | 20.08 | 20.18 | +0.05 | 83,148 |
| Aug 97 | 20.32 | 20.10 | 20.17 | +0.05 | 34,256 |
| Sep 97 | 20.30 | 20.09 | 20.15 | +0.03 | 9,742 |
| Oct 97 | 20.24 | 20.05 | 20.12 | +0.02 | 7,816 |
| Nov97 | 20.17 | 20.01 | 20.08 | +0.02 | 6,092 |
| Dec97 | 20.13 | 19.98 | 20.01 | +0.02 | 12,149 |
| Jan98 | 20.03 | 19.93 | 19.91 | Unch. | 4,728 |
| Feb98 | 19.89 | 19.89 | 19.80 | —0.02 | 3,497 |
| Est. sales: 31,755 Open int:167,347 up 7,517 . | | | | | |
| **Stock Indexes** | | | | | |
| **S&P COMP. INDEX (CMER)** 500 x index | | | | | |
| Jun 97 | 844.40 | 836.60 | 837.80 | —5.10 | 176,165 |
| Sep 97 | 852.50 | 844.20 | 847.30 | —4.20 | 12,168 |
| Dec 97 | | | 860.60 | | 3,221 |
| Est. sales N.A. Wed's. sales 81,677 | | | | | |
| Wed's open int 192,615 off 4334 | | | | | |
| **FTSE 100 (LIFFE)** £25 per index point | | | | | |
| Jun97 | 4682.0 | 4636.0 | 4665.0 | + 8.0 | 70,728 |
| Sep97 | 4705.0 | 4675.0 | 4700.5 | + 9.0 | 3,129 |
| Dec97 | 4740.0 | 4740.0 | 4746.0 | + 10.0 | 522 |
| Est. sales: 12,516. Prev. sales: 18,348 | | | | | |
| Prev. open int.: 76,379 up 1,588 | | | | | |
| **CAC 40 (MATIF)** FF200 per index point | | | | | |
| May 97 | 2785.0 | 2731.0 | 2734.0 | — 46.00 | 24,303 |
| Jun 97 | 2759.0 | 2710.0 | 2709.0 | — 46.00 | 29,060 |
| Jul 97 | 2757.0 | 2716.0 | 2708.0 | — 46.00 | 981 |
| Sep 97 | 2771.0 | 2723.0 | 2723.0 | — 46.00 | 11,971 |
| Dec 97 | N.T. | N.T. | 2743.0 | — 46.00 | 451 |
| Mar 98 | N.T. | N.T. | 2766.5 | — 46.00 | 7,934 |
| Est. volume: 22,003. Open int.: 75,945 up 2,577. | | | | | |

**Commodity Indexes**

| | Close | Previous |
|---|---|---|
| Moody's | 1,611.60 | 1,608.20 |
| Reuters | N.A. | 2,012.90 |
| D.J. Futures | 163.47 | 163.14 |
| CRB | 251.94 | 252.37 |

*Sources: Matif, Associated Press, London Int'l Financial Futures Exchange, Int'l Petroleum Exchange.*

Czech Curre[ncy] On Economi[c] Central Bank Moves to

Panel Urges Kremlin to Kill Spending Cuts

WORLD STOCK M[ARKETS]

Thursday, May 22

Market C[losed] The Jakarta ... was closed ... holiday.

BRIEFLY

ria Car Bomb at Least 12

ds End Protest N in Geneva

q-Syria Road Be Reopened

aiti Postpones enate Runoffs

sters Demand Jobs

# Czech Currency Slumps On Economic Concerns

## Central Bank Moves to Defend Koruna

*Compiled by Our Staff From Dispatches*

PRAGUE — A battle between the Czech National Bank and currency speculators escalated Thursday, with the koruna slipping in local trading amid widening concerns about a government reshuffle and a worsening economy.

The koruna fell against the dollar and the Deutsche mark before the central bank stepped in to buy the currency and pushed it back up. In late trading in New York, the dollar was quoted at 30.36 koruny, down from 30.43 koruny Wednesday.

"It's a real war," said Petr Korous, head of the corporate bond desk at Ceskoslovenska Obchodni Banka AS in Prague.

Currency speculators betting on a devaluation have pushed the koruna down, although the decline also has been fueled by Czech citizens withdrawing koruna savings to buy hard currency, Mr. Korous said. The minister of industry and trade, Vladimir Dlouhy, blamed the koruna's fall on Prime Minister Vaclav Klaus's failure to "provide a clear signal" that the government was in control of the situation.

Mr. Dlouhy, who belongs to a party other than Mr. Klaus's within the ruling coalition, said investors had a negative image of the Czech economy because wages had grown faster than productivity, contributing to the nation's ballooning trade deficit and creating "criminality and bribery."

Mr. Klaus said he would discuss with the central bank governor, Josef Tosovsky, "symbolic" actions that could be taken to help the currency.

Mr. Klaus was scheduled to meet with the government's three coalition parties to discuss a cabinet reshuffle. Traders said a change in the government would have little effect on the currency.

"The volatility is so high right now, you can even name Mickey Mouse as minister of finance and simply keep up the fight with the central bank," Mr. Korous said.

The koruna's decline continued even after the Czech National Bank last week raised the Lombard rate, which acts as a ceiling on interest rates, to 50 percent from 14 percent. Since then, overnight rates have climbed as high as 690 percent. They averaged 197.5 percent Thursday.

Local traders and investors have made forecasts of devaluations ranging from 15 percent by year-end to as much as 20 percent by the end of June. Central bank officials have said they remain committed to a strong and stable koruna.

But foreign investors, meanwhile, are seeking to get out of Czech equity and fixed-income positions, analysts said.

"In the short term, investors are caught between the devil and the deep blue sea," said James Oates, director of Eastern and Central European equities at Union Bank of Switzerland. "Either the Czech crown devalues, and so their investment falls by that amount, or it doesn't devalue but interest rates stay very high, and the performance of their equity holdings is likely to be very poor."

*(Bloomberg, Reuters)*

## Panel Urges Kremlin to Kill Spending Cuts

*Reuters*

MOSCOW — The budget committee of the lower house of Russia's Parliament asked the government Thursday to withdraw its draconian plan to cut spending by more than 100 trillion rubles ($17.38 billion) and said deputies should consider other ideas.

The Itar-Tass news agency quoted Duma deputies as urging the chamber, which is dominated by Communists, to consider an alternative put forward by a group of deputies when it debates the issue Friday.

It was not clear what alternatives the budget committee was talking about, but many deputies are attracted by the idea of doubling the money supply, viewing it as a way to pay off wage arrears and ease the financial pains of the population.

Ministers and central bank officials say this would only rekindle inflation.

## Bonn Seals Jobs Pact To Bolster The East

*Compiled by Our Staff From Dispatches*

BERLIN — Faced with high unemployment in Eastern Germany despite heavy government spending, Chancellor Helmut Kohl unveiled a plan Thursday to encourage investment and create 100,000 jobs a year in the region.

The plan, which involves government, labor and business, will include tax breaks and subsidies of $18 billion over the next six years for companies that invest in the former Communist East Germany.

Unions have agreed to grant struggling Eastern companies more flexibility in applying wage contracts, which are negotiated on a national level, and West German companies are to double their purchases of goods made in the East. The plan also provides for a special forum to deal with financing and other problems.

"The concrete goal is to strengthen the growth dynamic in the new states," Mr. Kohl said. The investment and jobs pact came as two economic institutes published reports of surveys predicting further economic stagnation in the East.

The German Economics Institute, based in Cologne, said companies in Eastern Germany, particularly in the building sector, did not expect improvements in growth, employment or investment. The Ifo economic research institute in Munich, meanwhile, said companies in the East were less optimistic in April than in March.

Unemployment in all of Germany has reached record levels this year, but the rate in the East is nearly twice that of the West: 17.5 percent in April, compared with 9.8 percent in the West and a national figure of 11.3 percent.

Mr. Kohl acknowledged that the plan would require sacrifices by companies in the West but said they were necessary, and he chastised Westerners who continued to complain about the price they have had to pay to absorb their former Communist rival.

Mr. Kohl said that if the program worked, segments of it could be extended to the rest of the country, which is struggling to meet the challenges of the global economy.

Since unification in 1990, Bonn has invested about $90 billion a year in subsidies, tax breaks and support payments in the East, hoping to spur investment and raise living standards there.

In reaction to the plan, Dieter Hundt, head of the federal umbrella group for employers' associations, spoke of the need for lower labor costs, while his counterpart on the union side, Dieter Schulte, insisted there would be no wage freeze. *(AP, Reuters, AFP)*

Fabrizio Bensch/Reuters

Dieter Schulte, left, making a point Thursday to Dieter Hundt.

### ■ VW Workers Want a Raise

Volkswagen AG 's chief labor negotiator said German workers would seek a wage increase greater than the 1.8 percent recommended by their national union when talks resumed next month, Bloomberg News reported from Brussels. The 1.8 percent level was set out in a pilot agreement between the auto companies and the IG Metall union.

# Italy's Senate Clears TV and Phone Rules

*Bloomberg News*

ROME — The Senate has approved a television and telecommunications bill that sets up antitrust rules for television and the sale of the government's stake in Telecom Italia SpA.

The legislation would force Mediaset SpA, owned by former Prime Minister Silvio Berlusconi's Fininvest SpA, and RAI, the state-owned television network, each to cut the number of terrestrial channels they own to two from three. But it also offers incentives for them to enter the satellite-television market. RAI and Mediaset account for about 90 percent of Italy's television audience.

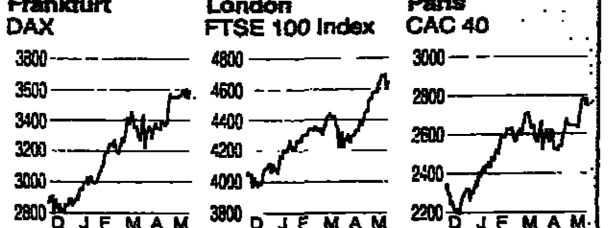
The bill, which must still pass the Chamber of Deputies, ends months of wrangling between the center-left government and the opposition led by Mr. Berlusconi.

One of the main components of the legislation is the creation of an independent regulatory authority to oversee the phone market, which is dominated by the state monopoly, Telecom Italia. The government cannot sell its stake in Telecom until such a body is established.

The law calls for Telecom Italia to make its network available to rivals seeking to provide basic phone services, bringing Italy into line with a European Union directive that abolishes national telecommunications monopolies as of Jan. 1.

Passage of the bill lifted Mediaset's shares, which closed up 50 lire at 7,700 ($4.64). Telecom Italia shares fell 65 to 4,625.

## Investor's Europe




| Exchange | Index | Thursday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Amsterdam | AEX | 800.84 | 803.93 | -0.38 |
| Brussels | BEL-20 | 2,245.54 | 2,247.83 | -0.10 |
| Frankfurt | DAX | 3,579.42 | 3,596.09 | -0.46 |
| Copenhagen | Stock Market | 577.22 | 581.24 | -0.69 |
| Helsinki | HEX General | 3,092.12 | 3,097.71 | -0.18 |
| Oslo | OBX | 627.05 | 623.31 | +0.60 |
| London | FTSE 100 | 4,651.80 | 4,642.00 | +0.21 |
| Madrid | Stock Exchange | 556.10 | 560.10 | -0.71 |
| Milan | MIBTEL | 12,410.00 | 12527 | -0.93 |
| Paris | CAC 40 | 2,741.65 | 2,786.35 | -1.60 |
| Stockholm | SX 16 | 3,035.36 | 3,028.93 | +0.21 |
| Vienna | ATX | 1,287.19 | 1,290.11 | -0.23 |
| Zurich | SPI | 3,266.80 | 3,268.35 | -0.05 |

Source: Telekurs International Herald Tribune

## Very briefly:

- **Elf Aquitaine SA**'s shares rose 2.5 percent to close at 613 French francs ($107.83), a company record, after the oil concern bought back 0.9 percent of its shares from the automaker **Renault**, raising expectations that it would buy back more shares eventually.
- **Britain** ordered an antitrust investigation of **National Express PLC**'s acquisition of two regional passenger railways, pushing the bus and rail company's shares down 5 percent.
- A **Bundesbank** council member, Olaf Sievert, said Germany would manage to cut its deficit enough to meet the European Union's single-currency standards.
- **Ifil SpA**, the Italian holding company owned by the Agnelli family, said its 1996 net consolidated income rose 17 percent, to 338.6 billion lire ($203.8 million).
- **The Netherlands** said its unemployment rate fell to 6 percent, a four-year low, in the three months ended April 30.

*Bloomberg, AP*

# VEBA's 'Globalization' Purse

*Compiled by Our Staff From Dispatches*

DUSSELDORF — VEBA AG, a chemicals and energy concern, said Thursday it planned to invest 12.4 billion Deutsche marks ($7.37 billion) abroad between now and 2001.

"Globalization is a must for VEBA," Ulrich Hartmann, the company's chairman, said.

VEBA said Wednesday it had bought a 36.4 percent stake in Degussa AG, a chemicals and metals maker, for 2.9 billion DM. Separately, Mr. Hartmann said VEBA was talking with five telecommunications companies that wanted stakes in its joint venture with RWE AG, called O.tel.o. *(AFP, AFX)*

# WORLD STOCK MARKETS

**Thursday, May 22**

Prices in local currencies.

*Telekurs*

### Amsterdam

AEX index: 800.84 Previous: 803.93

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABN-AMRO | 36.20 | 35.60 | 35.80 | 35.80 |
| Aegon | 144.40 | 142.50 | 142.60 | 143.30 |
| Ahold | 148.80 | 146.90 | 147.40 | 147.60 |
| Akzo Nobel | 263.90 | 261.90 | 262 | 262.80 |
| Baan Co. | 117.40 | 113.80 | 114.10 | 112.30 |
| Bols Wess cva | 36.80 | 36.40 | 36.70 | 36.80 |
| CSM cva | 104.80 | 103.30 | 103.10 | 104 |
| Dordtsche Pet | 382 | 378.50 | 380 | 379 |
| DSM | 196.30 | 194.40 | 194.50 | 196.50 |
| Elsevier | 33.70 | 32.30 | 32.80 | 33.70 |
| Fortis Amev | 80.70 | 78 | 78.90 | 78.90 |
| Getronics | 63.20 | 62 | 63.10 | 62.60 |
| G-Broc cva | 66 | 64.80 | 64.80 | 65.80 |
| Hagemeyer | 90.50 | 88.80 | 89.50 | 89.50 |
| Heineken | 330.50 | 326.50 | 326.60 | 329.90 |
| Hoogovens cva | 97.30 | 92.70 | 97.30 | 93 |
| Hunt Douglas | 169 | 167.10 | 169 | 168.10 |
| ING Group | 86.20 | 84.50 | 84.90 | 84.80 |
| KLM | 59.10 | 57.70 | 58 | 59.80 |
| KNP BT | 41.10 | 40.20 | 40.20 | 40.90 |
| KPN | 69.80 | 68.70 | 69.40 | 68.80 |
| Nedlloyd Gp | 47.80 | 46.40 | 47.50 | 48.20 |
| Nutricia | 297.50 | 295 | 296 | 296 |
| Oce Grinten | 241 | 239.30 | 240.40 | 239.30 |
| Philips Elec | 112.20 | 109.80 | 109.90 | 111.10 |
| Polygram | 97.90 | 95.80 | 96.80 | 97.40 |
| Randstad Hdg | 194.90 | 188 | 189 | 191.90 |
| Robeco | 172.20 | 171 | 171.50 | 171.50 |
| Rodamco | 60.70 | 60.10 | 60.70 | 60.10 |
| Rolinco | 175.40 | 175.20 | 175.20 | 175.70 |
| Rorento | 110.60 | 110.40 | 110.40 | 110.70 |
| Royal Dutch | 370 | 367 | 367.60 | 366.80 |
| Unilever cva | 382.70 | 379.20 | 380 | 381.50 |
| Vendex Intl | 106.80 | 103 | 106.70 | 103.20 |
| VNU | 44 | 42.60 | 43.50 | 44.20 |
| Wolters Kl cva | 238.30 | 233.50 | 235 | 238.40 |

### Bangkok

SET index: 581.39 Previous: 596.19

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Adv Info Svc | 178 | 174 | 174 | 175 |
| Bangkok Bk F | 216 | 212 | 212 | 214 |
| Krung Thai Bk | 33 | 29.75 | 30 | 31.75 |
| PTT Explor | 332 | 326 | 328 | 330 |
| Siam Cement F | 576 | 558 | 566 | 574 |
| Siam Com Bk F | 146 | 135 | 135 | 144 |
| Telecomasia | 33.25 | 31.25 | 31.75 | 32.75 |
| Thai Airways | 39.50 | 38.25 | 38.50 | 38 |
| Thai Farm Bk F | 129 | 121 | 123 | 126 |
| Utd Comm | 125 | 115 | 116 | 118 |

### Bombay

Sensex 30 index: 3730.78 Previous: 3733.81

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bajaj Auto | 855.75 | 840 | 848.75 | 845 |
| Hindust Lever | 1062.75 | 1055 | 1055.25 | 1063 |
| Hindust Petm | 423 | 420.25 | 421 | 424.75 |
| Ind Dev Bk | 93.50 | 90.50 | 90.75 | 93 |
| ITC | 428 | 420.25 | 424.25 | 419.50 |
| Mahanagar Tel | 281.25 | 279.25 | 281 | 280.25 |
| Reliance Ind | 293 | 287 | 289.75 | 291.75 |
| State Bk India | 307 | 303 | 305 | 305.75 |
| Steel Authority | 20.75 | 20.25 | 20.75 | 20.25 |
| Tata Eng Loco | 396.50 | 388.25 | 391 | 393.50 |

### Brussels

BEL-20 index: 2245.54 Previous: 2247.83

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Almanij | 15500 | 15025 | 15425 | 15400 |
| Barco Ind | 6390 | 6290 | 6350 | 6370 |
| BBL | 9030 | 9000 | 9000 | 9020 |
| CBR | 3460 | 3415 | 3430 | 3480 |
| Colruyt | 14600 | 14200 | 14400 | 14500 |
| Delhaize Lion | 1790 | 1750 | 1775 | 1785 |
| Electrabel | 8300 | 8270 | 8300 | 8280 |
| Electrafina | 3550 | 3520 | 3520 | 3550 |
| Fortis AG | 6640 | 6510 | 6590 | 6540 |
| Gevaert | 2990 | 2960 | 2975 | 2970 |
| GBL | 5580 | 5550 | 5550 | 5590 |
| Gen Banque | 14225 | 14075 | 14075 | 14175 |
| Kredietbank | 13975 | 13675 | 13750 | 13675 |
| Petrofina | 12900 | 12700 | 12850 | 12825 |
| Powerfin | 5100 | 5070 | 5100 | 5080 |
| Royale Belge | 9720 | 9680 | 9690 | 9710 |
| Soc Gen Belg | 3285 | 3260 | 3265 | 3250 |
| Solvay | 21525 | 21325 | 21350 | 21400 |
| Tractebel | 15450 | 15375 | 15425 | 15400 |
| UCB | 96800 | 95500 | 96800 | 95950 |

### Copenhagen

Stock index: 577.22 Previous: 581.24

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| BG Bank | 317 | 310 | 312 | 314 |
| Carlsberg B | 393 | 390 | 393 | 393 |
| Codan Fors | 911 | 900 | 900 | 904 |
| Danisco | 398 | 391 | 396 | 393 |
| Den Danske Bk | 625 | 613 | 614 | 625 |
| D/S Svendborg B | 351000 | 342000 | 343000 | 350000 |
| D/S 1912 B | 245000 | 235000 | 236000 | 245000 |
| FLS Ind B | 1050 | 1045 | 1050 | 1050 |
| Kob Lufthavne | 715 | 705.35 | 713.84 | 710 |
| Nvo Nordisk B | 708 | 699 | 704 | 710 |
| Sophus Ber B | 899.88 | 885 | 891 | 895 |
| Tele Danmk B | 327 | 322 | 325.33 | 329 |
| Tryg Baltica | 363 | 354 | 359.22 | 359 |
| Unidanmark A | 356 | 350 | 352 | 355.64 |

### Frankfurt

DAX: 3579.42 Previous: 3596.09

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AMB B | 1305 | 1290 | 1295 | 1290 |
| Adidas | 188.50 | 184.50 | 188.40 | 184 |
| Allianz Hdg | 364.30 | 357.70 | 358 | 358 |
| Altana | 1575 | 1550 | 1560 | 1530 |
| Bk Berlin | 39.78 | 39.35 | 39.40 | 39.49 |
| BASF | 64.75 | 63.60 | 63.65 | 64.32 |
| Bayer Hypo Bk | 57.95 | 57.10 | 57.20 | 57.90 |
| Bay.Vereinsbank | 73.40 | 73 | 73.20 | 73.05 |
| Bayer | 66.75 | 65.25 | 65.40 | 64.40 |
| Beiersdorf | 90.80 | 90 | 90 | 90.20 |
| Bewag | 41.50 | 41 | 41 | 41.20 |
| BMW | 1383 | 1366 | 1378 | 1380 |
| CKAG Colonia | 174.50 | 173.50 | 173.50 | 174 |
| Commerzbank | 50.20 | 49.85 | 49.95 | 49.85 |
| Daimler Benz | 132.60 | 131.75 | 131.95 | 134 |
| Degussa | 83.10 | 82.20 | 83.10 | 84.80 |
| Deutsche Bank | 99.38 | 96.55 | 96.65 | 98.75 |
| Deut Telekom | 39.75 | 39.01 | 39.08 | 39.65 |
| Dresdner Bank | 63.20 | 61.70 | 61.80 | 62.35 |
| Fresenius | 356 | 348 | 351 | 357 |
| Fresenius Med | 149 | 146.40 | 148 | 145.90 |
| Fried. Krupp | 320.50 | 319 | 320 | 322 |
| Gehe | 121 | 120 | 120.20 | 120 |
| Heidelbg Zmt | 170 | 165 | 165 | 168 |
| Henkel pfd | 99.40 | 98 | 99 | 97 |
| HEW | 487 | 487 | 487 | 487 |
| Hochtief | 77.50 | 77 | 77.50 | 77.80 |
| Hoechst | 67.30 | 66.40 | 66.40 | 65.25 |
| Karstadt | 598 | 586 | 589 | 574 |
| Lahmeyer | 76 | 75 | 75.20 | 76.30 |
| Linde | 1245 | 1232 | 1232 | 1245 |
| Lufthansa | 29 | 27.90 | 27.90 | 29.25 |
| MAN | 513 | 505.50 | 505.50 | 513.50 |
| Mannesmann | 726 | 715 | 716 | 712.50 |
| Metallgesellschaft | 37.48 | 37.05 | 37.30 | 36.98 |
| Metro | 173 | 171.30 | 171.80 | 169 |
| Munch Rueck R | 4400 | 4335 | 4350 | 4375 |
| Preussag | 470 | 464.50 | 466 | 467.50 |
| RWE | 76.10 | 75.30 | 75.50 | 75.10 |
| SAP pfd | 320.50 | 316 | 316.50 | 318.10 |
| Schering | 176.40 | 174.20 | 175.10 | 177.60 |
| SGL Carbon | 240 | 236 | 240 | 235 |
| Siemens | 99.30 | 98.15 | 98.45 | 99.25 |
| Springer (Axel) | 1500 | 1500 | 1500 | 1500 |
| Suedzucker | 920 | 890 | 890 | 910 |
| Thyssen | 394.50 | 387 | 388.50 | 391.80 |
| Veba | 100.20 | 99.70 | 99.80 | 99.70 |
| VEW | 510 | 505 | 505 | 505 |
| Viag | 787.50 | 770 | 773.50 | 786 |
| Volkswagen | 1142 | 1126 | 1127 | 1144.50 |

### Helsinki

HEX General index: 3092.12 Previous: 3097.71

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Enso A | 47.80 | 46.50 | 47 | 47.50 |
| Huhtamaki I | 231 | 229 | 231 | 232 |
| Kemira | 50.20 | 49.60 | 50 | 49.80 |
| Kesko | 74.50 | 73.60 | 74 | 74 |
| Merita A | 18 | 17.80 | 17.90 | 17.90 |
| Metra B | 142.50 | 140 | 142 | 140 |
| Metso-Serla B | 43.50 | 42.20 | 42.50 | 43.20 |
| Neste | 138 | 137 | 137 | 138.50 |
| Nokia A | 348 | 346 | 348 | 348 |
| Orion-Yhtymae | 210 | 203.50 | 208 | 204.50 |
| Outokumpu A | 104 | 103 | 103 | 106 |
| UPM-Kymmene | 124.90 | 124 | 124 | 124.20 |
| Valmet | 90.80 | 90 | 90.60 | 89.90 |

### Hong Kong

Hang Seng: 14212.80 Previous: 14225.52

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amoy Props | 8.80 | 8.65 | 8.70 | 8.65 |
| Bk East Asia | 28 | 27.55 | 27.60 | 28.05 |
| Cathay Pacific | 11.95 | 11.85 | 11.85 | 11.80 |
| Cheung Kong | 78.75 | 76.75 | 77 | 78.50 |
| CK Infrastruct | 23.70 | 22.70 | 23.65 | 22.65 |
| China Light | 37.30 | 36.90 | 37.20 | 37 |
| Citic Pacific | 44.50 | 43.30 | 44.20 | 44.10 |
| Dao Heng Bk | 40.50 | 39 | 39.40 | 40.10 |
| First Pacific | 9.75 | 9.65 | 9.70 | 9.75 |
| Hang Lung Dev | 15.20 | 14.70 | 14.80 | 14.75 |
| Hang Seng Bk | 90 | 89.25 | 89.50 | 89.25 |
| Henderson Inv | 8.80 | 8.60 | 8.65 | 8.75 |
| Henderson Ld | 75.50 | 73.75 | 74.50 | 75.25 |
| HK China Gas | 12.60 | 12.40 | 12.50 | 12.55 |
| HK Electric | 27.60 | 27.10 | 27.15 | 27.65 |
| HK Telecomm | 16.40 | 15.60 | 16 | 16 |
| Hopewell Hdgs | 4.18 | 4.05 | 4.05 | 4 |
| HSBC Hdgs | 221 | 219 | 220 | 220 |
| Hutchison Wh | 64.25 | 63 | 63.25 | 63.25 |
| Hysan Dev | 25.40 | 24.50 | 25.05 | 24.70 |
| Johnson El Hdg | 22.90 | 22.40 | 22.50 | 22.90 |
| Kerry Props | 19.05 | 18.90 | 19 | 18.95 |
| New World Dev | 50 | 49.10 | 49.20 | 49.50 |
| Oriental Press | 2.70 | 2.65 | 2.65 | 2.63 |
| Pearl Oriental | 3.05 | 2.98 | 3 | 3.03 |
| SHK Props | 95.25 | 93.50 | 93.75 | 94.50 |
| Shun Tak Hdgs | 4.95 | 4.85 | 4.85 | 4.88 |
| Sino Land Co. | 8.45 | 8.30 | 8.45 | 8.40 |
| Sth China Post | 7.15 | 7 | 7 | 7.10 |
| Swire Pac A | 65.75 | 63.50 | 64 | 64 |
| Wharf Hdgs | 33.40 | 32.30 | 33.30 | 32 |
| Wheelock | 19.50 | 19 | 19.30 | 19.10 |

## Market Closed

The Jakarta stock market was closed Thursday for a holiday.

### Johannesburg

All Market: 7096.12 Previous: 7127.19

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amalgamtd Bks | 30 | 29.80 | 30 | 29.80 |
| AngloAm Coal | 300 | 298.50 | 298.50 | 302 |
| AngloAm-Corp | 268 | 266 | 267 | 268 |
| AngloAm Gold | 303.50 | 301.25 | 303 | 307.50 |
| AngloAm Ind | 190.50 | 189 | 189.50 | 191 |
| AVMIN | 16.30 | 16.25 | 16.25 | 16.30 |
| Barlow | 46.85 | 46 | 46 | 47 |
| C.G. Smith | 25.30 | 25 | 25 | 25.40 |
| De Beers | 160.25 | 159.50 | 159.50 | 160.25 |
| Driefontein | 40 | 39 | 39.45 | 39.55 |
| Fst Natl Bk | 33.50 | 32.75 | 32.80 | 33.50 |
| Gencor | 19.30 | 19.15 | 19.15 | 19.20 |
| GFSA | 114 | 113.25 | 113.25 | 113.50 |
| Imperial Hdgs | 57.75 | 57 | 57 | 58 |
| Ingwe Coal | 29.65 | 29.65 | 29.65 | 29.50 |
| Iscor | 3.07 | 3.03 | 3.05 | 3.03 |
| Johnnies Indl | 58.75 | 58 | 58 | 59 |
| Liberty Hdgs | 350 | 347.50 | 347.50 | 352 |
| Liberty Life | 130.50 | 129 | 130 | 131 |
| LibLife Strat | 17 | 17 | 17 | 17 |
| Minorco | 101 | 100.50 | 100.75 | 100.50 |
| Nampak | 17.50 | 17.30 | 17.35 | 17.50 |
| Nedcor | 90 | 89.25 | 89.75 | 90 |
| Rembrandt Gp | 48.80 | 48.65 | 48.65 | 48.80 |
| Richemont | 63 | 62.25 | 62.75 | 63.25 |
| Rust Platinum | 72.50 | 71 | 71 | 72.50 |
| SA Breweries | 129.75 | 125 | 127.75 | 130 |
| Samancor | 47 | 47 | 47 | 47.25 |
| Sasol | 56 | 55.25 | 55.50 | 55.25 |
| SBIC | 214.50 | 214 | 214 | 214 |
| Tiger Oats | 75.25 | 75 | 75 | 75.50 |

### Kuala Lumpur

Composite: 1071.03 Previous: 1058.62

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AMMB Hdgs | 16 | 15.70 | 15.70 | 15.90 |
| Genting | 13.20 | 12.80 | 12.90 | 13.20 |
| Mal Banking | 25.50 | 24.80 | 25.25 | 25.50 |
| Mal Intl Ship F | 5.75 | 5.55 | 5.60 | 5.60 |
| Petronas Gas | 8.85 | 8.65 | 8.70 | 8.70 |
| Proton | 12.10 | 11.10 | 12 | 11 |
| Public Bk | 4.60 | 4.34 | 4.54 | 4.30 |
| Renong | 3.46 | 3.24 | 3.40 | 3.20 |
| Resorts World | 8.60 | 8.45 | 8.55 | 8.50 |
| Rothmans PM | 25 | 24.20 | 25 | 25 |
| Sime Darby | 8.40 | 8.05 | 8.40 | 8 |
| Telekom Mal | 17.30 | 16.90 | 17.20 | 17.20 |
| Tenaga | 11.40 | 11 | 11.20 | 11 |
| Utd Engineers | 18.90 | 18 | 18.80 | 18.10 |
| YTL | 9.55 | 9.45 | 9.50 | 9.55 |

### London

FT-SE 100: 4651.80 Previous: 4642.00

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Abbey Natl | 9.48 | 9.08 | 9.18 | 9.26 |
| Allied Domecq | 4.66 | 4.48 | 4.55 | 4.53 |
| Anglian Water | 6.93 | 6.80 | 6.89 | 6.93 |
| Argos | 6.15 | 6.09 | 6.10 | 6.10 |
| Asda Group | 1.20 | 1.18 | 1.19 | 1.20 |
| Assoc Br Foods | 5.66 | 5.56 | 5.64 | 5.57 |
| BAA | 5.42 | 5.30 | 5.31 | 5.44 |
| Barclays | 12.13 | 11.11 | 12.09 | 12.13 |
| Bass | 8.07 | 7.92 | 8.02 | 7.99 |
| BAT Ind | 5.90 | 5.58 | 5.67 | 5.59 |
| Bank Scotland | 4.08 | 4 | 4.03 | 4.05 |
| Blue Circle | 4.17 | 4.08 | 4.15 | 4.11 |
| BOC Group | 10.04 | 9.90 | 9.91 | 9.94 |
| Boots | 7.17 | 7.04 | 7.14 | 7.03 |
| BPB Ind | 3.40 | 3.36 | 3.38 | 3.37 |
| Brit Aerosp | 12.35 | 12.15 | 12.33 | 12.19 |
| Brit Airways | 7.50 | 7.37 | 7.40 | 7.37 |
| BG | 2 | 1.97 | 1.99 | 1.99 |
| Brit Land | 6.10 | 5.87 | 5.95 | 5.89 |
| Brit Petm | 7.37 | 7.27 | 7.32 | 7.27 |
| BSkyB | 5.87 | 5.76 | 5.85 | 5.82 |
| Brit Steel | 1.52 | 1.50 | 1.52 | 1.51 |
| Brit Telecom | 5 | 4.48 | 4.50 | 4.50 |
| BTR | 2.23 | 2.15 | 2.16 | 2.20 |
| Burmah Castrol | 10.25 | 10.10 | 10.12 | 10.23 |
| Burton Gp | 1.36 | 1.33 | 1.34 | 1.34 |
| Cable Wireless | 5.05 | 4.92 | 4.94 | 5.01 |
| Cadbury Schw | 5.53 | 5.38 | 5.52 | 5.42 |
| Carlton Comm | 5.24 | 5.13 | 5.22 | 5.18 |
| Comml Union | 7.56 | 7.33 | 7.45 | 7.37 |
| Compass Gp | 6.67 | 6.58 | 6.65 | 6.61 |
| Courtaulds | 3.38 | 3.21 | 3.33 | 3.30 |
| Dixons | 4.86 | 4.77 | 4.77 | 4.85 |
| Electrocomponents | 3.99 | 3.96 | 3.97 | 3.98 |
| EMI Group | 12.35 | 12.03 | 12.10 | 12.35 |
| Energy Group | 5.62 | 5.47 | 5.55 | 5.50 |
| Enterprise Oil | 6.94 | 6.82 | 6.83 | 6.82 |
| Fam Colonial | 1.62 | 1.62 | 1.62 | 1.62 |
| Genl Accident | 9.64 | 9.35 | 9.40 | 9.39 |
| GEC | 3.56 | 3.36 | 3.53 | 3.55 |
| GKN | 9.87 | 9.71 | 9.85 | 9.73 |
| Glaxo Wellcome | 12.37 | 12.16 | 12.20 | 12.35 |
| Granada Gp | 9.17 | 9.10 | 9.12 | 9.15 |
| Grand Met | 5.77 | 5.52 | 5.70 | 5.61 |
| GRE | 3.06 | 2.97 | 3.01 | 3.02 |
| Greenalls Gp | 4.87 | 4.81 | 4.83 | 4.83 |
| Guinness | 5.77 | 5.59 | 5.70 | 5.62 |
| GUS | 6.62 | 6.52 | 6.54 | 6.56 |
| Hays | 5.65 | 5.60 | 5.61 | 5.64 |
| HSBC Hldgs | 17.48 | 17.24 | 17.44 | 17.31 |
| ICI | 7.87 | 7.78 | 7.86 | 7.80 |
| Impl Tobacco | 4.08 | 4.01 | 4.02 | 4.03 |
| Kingfisher | 7.20 | 7.05 | 7.17 | 7.07 |
| Ladbroke | 2.48 | 2.40 | 2.47 | 2.42 |
| Land Sec | 8.92 | 8.72 | 8.84 | 8.73 |
| Lasmo | 2.54 | 2.48 | 2.50 | 2.49 |
| Legal Genl Grp | 4.65 | 4.55 | 4.61 | 4.56 |
| Lloyds TSB Gp | 6.20 | 5.95 | 6.14 | 6.09 |
| LucasVarity | 2.11 | 1.99 | 2.03 | 2.01 |
| Marks Spencer | 5.03 | 4.94 | 4.99 | 4.95 |
| MEPC | 5.10 | 5.01 | 5.09 | 5 |
| Mercury Asset | 13.77 | 13.55 | 13.70 | 13.73 |
| National Grid | 2.38 | 2.27 | 2.28 | 2.28 |
| Natl Power | 5.47 | 5.17 | 5.40 | 5.46 |
| NatWest | 7.90 | 7.70 | 7.80 | 7.92 |
| Next | 7.91 | 7.13 | 7.16 | 7.12 |
| Orange | 2.15 | 2.12 | 2.13 | 2.15 |
| P&O | 6.39 | 6 | 6.37 | 6.36 |
| Pearson | 7.15 | 7.02 | 7.15 | 7.06 |
| Pilkington | 1.30 | 1.21 | 1.25 | 1.21 |
| PowerGen | 7.01 | 6.90 | 6.92 | 6.94 |
| Premier Farnell | 4.95 | 4.85 | 4.86 | 4.88 |
| Prudential | 6.55 | 6.42 | 6.48 | 6.46 |
| Railtrack PP | 4.40 | 4.35 | 4.36 | 4.40 |
| Rank Group | 4.47 | 4.36 | 4.44 | 4.40 |
| Reckitt Colm | 8.75 | 8.58 | 8.75 | 8.62 |
| Redland | 3.25 | 3.10 | 3.22 | 3.23 |
| Reed Intl | 6.23 | 5.95 | 6.08 | 6.26 |
| Rentokil Initial | 2.35 | 2.30 | 2.32 | 2.35 |
| Reuters Hdgs | 6.87 | 6.64 | 6.77 | 6.66 |
| Rexam | 2.97 | 2.80 | 2.92 | 2.83 |
| RMC Group | 9.22 | 9.15 | 9.16 | 9.18 |
| Rolls Royce | 2.50 | 2.44 | 2.49 | 2.45 |
| Royal Bk Scot | 6.17 | 6.03 | 6.12 | 6.10 |
| RTZ reg | 10.77 | 10.58 | 10.77 | 10.58 |
| Royal & Sun All | 4.95 | 4.84 | 4.89 | 4.87 |
| Safeway | 3.69 | 3.57 | 3.68 | 3.60 |
| Sainsbury | 3.70 | 3.58 | 3.62 | 3.62 |
| Schroders | 17.40 | 17.20 | 17.33 | 17.38 |
| Scot Newcastle | 7.12 | 7.03 | 7.06 | 7.09 |
| Scot Power | 3.86 | 3.82 | 3.84 | 3.85 |
| Securicor | 2.95 | 2.92 | 2.93 | 2.94 |
| Severn Trent | 7.72 | 7.62 | 7.62 | 7.73 |
| Shell Transp R | 11.97 | 11.78 | 11.96 | 11.81 |
| Siebe | 9.52 | 9.45 | 9.45 | 9.49 |
| Smith Nephew | 1.72 | 1.67 | 1.71 | 1.68 |
| SmithKline | 11.53 | 10.41 | 10.52 | 10.54 |
| Smiths Ind | 7.53 | 7.40 | 7.52 | 7.40 |
| Sthern Elec | 4.15 | 4.08 | 4.11 | 4.10 |
| Stagecoach | 6.63 | 6.40 | 6.40 | 6.61 |
| Stand Charter | 10.25 | 10.02 | 10.12 | 10.19 |
| Tate & Lyle | 4.54 | 4.50 | 4.50 | 4.55 |
| Tesco | 3.84 | 3.71 | 3.74 | 3.82 |
| Thames Water | 6.84 | 6.74 | 6.78 | 6.83 |
| 3i Group | 5.07 | 4.98 | 5.03 | 5.01 |
| TI Group | 5.44 | 5.28 | 5.42 | 5.30 |
| Tomkins | 2.80 | 2.77 | 2.77 | 2.79 |
| Unilever | 16.86 | 16.65 | 16.83 | 16.69 |
| Utd Assurance | 4.99 | 4.83 | 4.92 | 4.85 |
| Utd News | 7.87 | 7.75 | 7.80 | 7.83 |
| Utd Utilities | 6.85 | 6.73 | 6.84 | 6.77 |
| Vendome Lx uts | 5.20 | 5.05 | 5.05 | 5.18 |
| Vodafone | 2.77 | 2.73 | 2.73 | 2.76 |
| Whitbread | 8.10 | 7.90 | 8.10 | 7.94 |
| Williams Hdgs | 3.12 | 3.05 | 3.10 | 3.11 |
| Wolseley | 4.72 | 4.68 | 4.71 | 4.70 |
| WPP Group | 2.48 | 2.42 | 2.43 | 2.47 |
| Zeneca | 18.98 | 18.70 | 18.72 | 18.97 |

### Madrid

Bolsa index: 556.10 Previous: 560.10

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Acerinox | 26000 | 24550 | 24850 | 25200 |
| ACESA | 1880 | 1835 | 1835 | 1860 |
| Aguas Barcelon | 5810 | 5710 | 5760 | 5790 |
| Argentaria | 7320 | 7250 | 7300 | 7270 |
| BBV | 10320 | 10080 | 10090 | 10340 |
| Banesto | 1695 | 1570 | 1585 | 1690 |
| Bankinter | 25200 | 24750 | 24760 | 25200 |
| Bco Centro Hisp | 5080 | 5000 | 5070 | 5100 |
| Bco Popular | 33700 | 33050 | 33270 | 33700 |
| Bco Santander | 12400 | 12150 | 12260 | 12200 |
| CEPSA | 5070 | 4990 | 4990 | 5100 |
| Continente | 2690 | 2650 | 2675 | 2695 |
| Corp Mapfre | 7840 | 7760 | 7790 | 7800 |
| Endesa | 11420 | 11210 | 11210 | 11340 |
| FECSA | 1275 | 1230 | 1230 | 1240 |
| Gas Natural | 29400 | 27800 | 27890 | 29260 |
| Iberdrola | 1850 | 1805 | 1820 | 1795 |
| Pryca | 2765 | 2705 | 2765 | 2740 |
| Repsol | 6250 | 6100 | 6140 | 6220 |
| Sevillana Elec | 1410 | 1395 | 1405 | 1390 |
| Tabacalera | 7550 | 7250 | 7410 | 7300 |
| Telefonica | 4345 | 4235 | 4270 | 4220 |
| Union Fenosa | 1335 | 1300 | 1305 | 1310 |
| Valenc Cement | 2015 | 1990 | 2010 | 2010 |

### Manila

PSE index: 2586.69 Previous: 2538.97

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Ayala B | 17.25 | 16.75 | 17.25 | 16.75 |
| Ayala Land | 18.75 | 17.75 | 18.75 | 18 |
| Bk Philip Isl | 142 | 139 | 141 | 139 |
| C&P Homes | 9.10 | 8.40 | 8.50 | 9.10 |
| Manila Elec A | 88 | 87 | 88 | 86.50 |
| Metro Bank | 560 | 545 | 560 | 550 |
| Petron | 7.20 | 6.90 | 7 | 7 |
| PCIBank | 242 | 230 | 240 | 240 |
| Phil Long Dist | 750 | 725 | 750 | 735 |
| San Miguel B | 71.50 | 68 | 71.50 | 67 |
| SM Prime Hdg | 6.90 | 6.70 | 6.90 | 6.70 |

### Mexico

Bolsa index: 3997.06 Previous: 3974.42

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Alfa A | 46.70 | 45.80 | 46.60 | 46.55 |
| Banacci B | 18.00 | 17.84 | 17.90 | 17.98 |
| Cemex CPO | 29.20 | 28.80 | 29.05 | 29.00 |
| Cifra C | 12.26 | 12.12 | 12.26 | 12.20 |
| Emp Moderna | 39.60 | 39.55 | 39.60 | 39.60 |
| Gpo Carso A1 | 48.10 | 47.60 | 47.95 | 47.95 |
| Gpo F Bcomer | 1.84 | 1.80 | 1.82 | 1.80 |
| Gpo Fin Inbursa | 29.00 | 28.90 | 28.90 | 28.70 |
| Kimb Clark Mex | 28.90 | 27.85 | 27.85 | 28.90 |
| Televisa CPO | 114.30 | 110.00 | 114.30 | 109.00 |
| TelMex L | 17.52 | 17.44 | 17.48 | 17.46 |

### Milan

MIB Telematico: 12410.00 Previous: 12527.00

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Alleanza Assic | 11745 | 11380 | 11435 | 11770 |
| Bca Comm Ital | 3600 | 3525 | 3525 | 3595 |
| Bca Fideuram | 4675 | 4505 | 4510 | 4675 |
| Bca di Roma | 1325 | 1224 | 1325 | 1223 |
| Benetton | 23750 | 23200 | 23500 | 23200 |
| Credito Italiano | 2565 | 2515 | 2535 | 2570 |
| Edison | 8390 | 8270 | 8305 | 8375 |
| ENI | 9010 | 8930 | 8960 | 9030 |
| Fiat | 5610 | 5495 | 5510 | 5610 |
| Generali Assic | 29850 | 29400 | 29400 | 29800 |
| IMI | 15740 | 15520 | 15530 | 15850 |
| INA | 2405 | 2375 | 2405 | 2395 |
| Italgas | 5500 | 5385 | 5385 | 5480 |
| Mediaset | 7790 | 7650 | 7700 | 7650 |
| Mediobanca | 10400 | 10120 | 10130 | 10350 |
| Montedison | 1100 | 1072 | 1078 | 1100 |
| Olivetti | 530 | 507 | 507 | 518 |
| Parmalat | 2670 | 2625 | 2625 | 2635 |
| Pirelli | 3770 | 3675 | 3675 | 3770 |
| RAS | 13870 | 13580 | 13600 | 13725 |
| Rolo Banca | 18300 | 17550 | 17700 | 18100 |
| S Paolo Torino | 10790 | 10550 | 10690 | 10650 |
| Stet | 8675 | 8520 | 8525 | 8670 |
| Telecom Italia | 4735 | 4625 | 4625 | 4690 |
| TIM | 5310 | 5225 | 5225 | 5295 |

### Montreal

Industrials index: 3178.32 Previous: 3197.61

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bce Mob Com | 43.90 | 43.80 | 43.90 | 44.40 |
| Cdn Tire A | 26½ | 26.20 | 26¼ | 26.35 |
| Cdn Util A | 35¼ | 35.05 | 35.15 | 35½ |
| CT Finl Svc | 34¼ | 34.10 | 34¼ | 34¼ |
| Gaz Metro | 17.80 | 17.10 | 17.20 | 17.85 |
| Gt-West Lifeco | 27.85 | 27½ | 27.85 | 27¾ |
| Imasco | 39.80 | 39.70 | 39.70 | 39¾ |
| Investors Grp | 27.80 | 27.70 | 27.70 | 27.55 |
| Loblaw Cos | 18.90 | 18.90 | 18.90 | 18.90 |
| Natl Bk Canada | 16.45 | 16.40 | 16.45 | 16.40 |
| Power Corp | 32.05 | 31.55 | 31.85 | 31½ |
| Power Finl | 29.70 | 29¼ | 29.60 | 29.35 |
| Quebecor B | 25.70 | 25.40 | 25.70 | 25.45 |
| Rogers Comm B | 7.55 | 7.35 | 7.35 | 7½ |
| Royal Bk Cda | 60.10 | 59¾ | 60 | 59.80 |

### Oslo

OBX index: 627.05 Previous: 623.31

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Aker A | 132.50 | 130.50 | 132 | 131.50 |
| Bergesen Dy A | 160 | 158 | 159 | 158 |
| Christiania Bk | 24 | 23.60 | 23.60 | 23.80 |
| Den norske Bk | 28 | 27.80 | 27.90 | 27.90 |
| Elkem | 142 | 138.50 | 139 | 137.50 |
| Hafslund A | 45 | 44 | 44 | 45.50 |
| Kvaerner Asa | 411 | 369 | 400 | 393 |
| Norsk Hydro | 368 | 360 | 364.50 | 360 |
| Norske Skog A | 249 | 245.50 | 245.50 | 244 |
| Nycomed A | 99 | 97 | 97 | 98 |
| Orkla Asa A | 622 | 608 | 620 | 606 |
| Petrm GeoSvc | 298 | 296 | 298 | 295 |
| Saga Petrm A | 137 | 135 | 136 | 137 |
| Schibsted | 137 | 135.50 | 136 | 133 |
| Transocean Off | 475 | 468 | 475 | 468 |
| Storebrand Asa | 46.10 | 45.70 | 45.70 | 46 |

### Paris

CAC-40: 2741.65 Previous: 2786.35

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Accor | 900 | 880 | 884 | 902 |
| AGF | 194 | 191.50 | 194 | 194.50 |
| Air Liquide | 925 | 900 | 903 | 925 |
| Alcatel Alsth | 706 | 688 | 689 | 701 |
| Axa-UAP | 387.90 | 375.60 | 375.90 | 381.50 |
| Bancaire | 730 | 711 | 719 | 732 |
| BIC | 910 | 883 | 910 | 910 |
| BNP | 262.90 | 256.80 | 260.50 | 263.80 |
| Canal Plus | 1078 | 1052 | 1052 | 1073 |
| Carrefour | 3879 | 3800 | 3805 | 3880 |
| Casino | 282 | 275.80 | 278 | 277 |
| CCF | 266 | 261.10 | 262.50 | 268.70 |
| Cetelem | 650 | 630 | 630 | 648 |
| Christian Dior | 920 | 893 | 893 | 919 |
| CLF-Dexia Fran | 547 | 534 | 543 | 533 |
| Credit Agricole | 1302 | 1302 | 1302 | 1300 |
| Danone | 929 | 911 | 911 | 925 |
| Elf-Aquitaine | 625 | 603 | 613 | 598 |
| Eridania BS | 894 | 879 | 881 | 898 |
| Eurodisney | 9.20 | 8.75 | 8.75 | 9.20 |
| Eurotunnel | 6.45 | 6.30 | 6.40 | 6.45 |
| Gen. Eaux | 815 | 807 | 810 | 814 |
| Havas | 438 | 425.80 | 428 | 439 |
| Imetal | 807 | 782 | 783 | 818 |
| Lafarge | 395.40 | 379 | 382 | 394.70 |
| Legrand | 975 | 952 | 952 | 971 |
| L'Oreal | 2194 | 2129 | 2132 | 2197 |
| LVMH | 1465 | 1418 | 1420 | 1469 |
| Lyon. Eaux | 586 | 575 | 581 | 584 |
| Michelin B | 350.90 | 333.50 | 333.60 | 349 |
| Paribas A | 401 | 393.20 | 397 | 399.60 |
| Pernod Ricard | 309.20 | 301.30 | 305.80 | 309.30 |
| Peugeot Cit | 645 | 626 | 629 | 647 |
| Pinault-Print | 2539 | 2453 | 2490 | 2547 |
| Promodes | 2145 | 2036 | 2098 | 2134 |
| Renault | 154 | 145 | 147.80 | 154.50 |
| Rexel | 1610 | 1590 | 1600 | 1595 |
| Rh-Poulenc A | 196.30 | 194 | 194.70 | 197.60 |
| Sanofi | 565 | 544 | 548 | 565 |
| Schneider | 322 | 310.10 | 310.20 | 321.80 |
| SEB | 1010 | 998 | 998 | 1005 |
| SGS Thomson | 463 | 445 | 445 | 463 |
| Ste Generale | 695 | 681 | 681 | 688 |
| Sodexho | 2815 | 2743 | 2744 | 2810 |
| St Gobain | 845 | 814 | 816 | 840 |
| Suez | 309.50 | 305.10 | 307.60 | 309.60 |
| Synthelabo | 714 | 699 | 700 | 713 |
| Thomson CSF | 193 | 185.30 | 187 | 193 |
| Total B | 572 | 555 | 558 | 562 |
| Usinor | 94.10 | 93.10 | 93.20 | 93.70 |
| Valeo | 371.50 | 361 | 362.50 | 366.80 |

### São Paulo

Bovespa index: 10793.50 Previous: 10714.90

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Bradesco Pfd | 8.69 | 8.46 | 8.50 | 8.58 |
| Brahma Pfd | 781.00 | 777.00 | 780.00 | 777.00 |
| Cemig Pfd | 48.00 | 47.20 | 47.70 | 47.30 |
| CESP Pfd | 57.00 | 55.00 | 56.20 | 54.00 |
| Copel | 15.60 | 15.20 | 15.60 | 15.60 |
| Eletrobras | 486.00 | 481.00 | 483.00 | 485.00 |
| Itaubanco Pfd | 560.00 | 557.00 | 557.00 | 560.00 |
| Light Servicios | 531.00 | 517.99 | 530.00 | 518.00 |
| Lightpar | 349.00 | 345.00 | 348.00 | 346.00 |
| Petrobras Pfd | 249.00 | 240.00 | 248.50 | 245.50 |
| Paulista Luz | 161.50 | 145.00 | 145.00 | 156.39 |
| Sid Nacional | 36.50 | 35.80 | 36.20 | 36.80 |
| Souza Cruz | 9.31 | 9.30 | 9.31 | 9.30 |
| Telebras Pfd | 138.80 | 135.50 | 137.70 | 135.90 |
| Telemig | 150.20 | 149.50 | 150.00 | 149.50 |
| Telerj | 160.00 | 156.99 | 160.00 | 156.50 |
| Telesp Pfd | 351.50 | 347.99 | 350.00 | 348.00 |
| Unibanco | 37.00 | 36.50 | 37.00 | 37.00 |
| Usiminas Pfd | 1.20 | 1.18 | 1.19 | 1.20 |
| CVRD Pfd | 24.99 | 24.64 | 24.75 | 24.80 |

### Seoul

Composite index: 724.38 Previous: 737.71

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Dacom | 103500 | 99000 | 103000 | 95900 |
| Daewoo Heavy | 8270 | 7610 | 7610 | 8270 |
| Hyundai Eng. | 19800 | 19200 | 19600 | 19700 |
| Kia Motors | 16500 | 16000 | 16500 | 16600 |
| Korea El Pwr | 26900 | 26300 | 26400 | 27000 |
| Korea Exch Bk | 5680 | 5300 | 5400 | 5400 |
| Korea Mob Tel | 380000 | 373000 | 378000 | 380000 |
| LG Semicon | 34000 | 33300 | 33700 | 34000 |
| Pohang Iron St | 58000 | 56500 | 57000 | 58000 |
| Samsung Display | 45200 | 44100 | 44100 | 45100 |
| Samsung Elec | 63700 | 61000 | 62500 | 63500 |
| Shinhan Bank | 10500 | 10000 | 10100 | 10300 |

### Singapore

Straits Times: 2061.71 Previous: 2052.99

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Asia Pac Brew | 6.60 | 6.60 | 6.60 | 6.55 |
| Cerebos Pac | 8.90 | 8.75 | 8.75 | 8.80 |
| City Devlts | 12.90 | 12.30 | 12.60 | 12.70 |
| Cycle Carriage | 14.90 | 14.50 | 14.70 | 14.60 |
| Dairy Farm Int* | 0.78 | 0.73 | 0.74 | 0.77 |
| DBS foreign | 19 | 18.50 | 18.60 | 19 |
| DBS Land | 5 | 4.86 | 4.88 | 5 |
| Fraser & Neave | 11.60 | 11.10 | 11.20 | 11.40 |
| HK Land* | 2.79 | 2.65 | 2.65 | 2.69 |
| Jard Matheson* | 7 | 6.60 | 6.95 | 6.65 |
| Jard Strategic* | 3.68 | 3.64 | 3.66 | 3.64 |
| Keppel | 6.95 | 6.80 | 6.85 | 6.90 |
| Keppel Bank | 3.78 | 3.64 | 3.64 | 3.76 |
| Keppel Fels | 4.86 | 4.80 | 4.80 | 4.80 |
| Keppel Land | 4.10 | 3.96 | 3.98 | 4.06 |
| OCBC foreign | 18.20 | 17.90 | 18 | 18.20 |
| OS Union Bk F | 10.30 | 9.95 | 9.95 | 9.90 |
| Parkway Hdgs | 6.70 | 6.45 | 6.65 | 6.45 |
| Sembawang | 6.90 | 6.70 | 6.90 | 6.68 |
| Sing Air foreign | 12.70 | 12.40 | 12.40 | 12.60 |
| Sing Land | 7.15 | 7.05 | 7.05 | 7.05 |
| Sing Press F | 29 | 28.40 | 29 | 28 |
| Sing Tech Ind | 3.96 | 3.84 | 3.96 | 3.90 |
| Sing Telecomm | 2.53 | 2.48 | 2.52 | 2.56 |
| Tat Lee Bank | 3.36 | 3.34 | 3.34 | 3.36 |
| Utd Industrial | 1.12 | 1.10 | 1.10 | 1.11 |
| Utd O'Sea Bk F | 15.50 | 14.90 | 15.10 | 15.30 |
| Wing Tai Hdgs | 4.30 | 4.22 | 4.28 | 4.14 |

*: in U.S. dollars.

### Stockholm

SX 16 index: 3035.36 Previous: 3028.93

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| AGA B | 103.50 | 102.50 | 103.50 | 103 |
| ABB A | 108 | 106 | 107 | 105.50 |
| AssiDoman | 220 | 214 | 215 | 220 |
| Astra A | 344 | 340.50 | 342.50 | 344 |
| Atlas Copco A | 216 | 214 | 215 | 213 |
| Autoliv | 303.50 | 298 | 299 | 300.50 |
| Electrolux B | 474 | 463 | 470 | 466 |
| Ericsson B | 279.50 | 273.50 | 277.50 | 273.50 |
| Hennes B | 266 | 250 | 256 | 260 |
| Incentive A | 675 | 660 | 670 | 663 |
| Investor B | 385 | 380 | 381.50 | 383.50 |
| MoDo B | 250 | 248 | 248 | 250 |
| Nordbanken | 248 | 241 | 243 | 246 |
| Pharm/Upjohn | 263 | 256.50 | 257 | 263 |
| Sandvik B | 205 | 204 | 204.50 | 205 |
| Scania B | 219.50 | 217 | 218 | 220.50 |
| SCA B | 172 | 170 | 170.50 | 171 |
| S-E Banken A | 85 | 82.50 | 83 | 84 |
| Skandia Fors | 251 | 246.50 | 251 | 247 |
| Skanska B | 333 | 330 | 331 | 333 |
| SKF B | 180.50 | 179.50 | 179.50 | 180 |
| Sparbanken A | 149 | 147 | 147.50 | 149 |
| Stadshypotek A | 190 | 190 | 190 | 190 |
| Stora A | 118.50 | 118 | 118.50 | 119 |
| Sv Handles A | 221 | 215.50 | 216 | 220 |
| Volvo B | 208.50 | 206.50 | 207.50 | 207.50 |

### Sydney

All Ordinaries: 2547.90 Previous: 2543.20

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Amcor | 8.40 | 8.35 | 8.39 | 8.36 |
| ANZ Bking | 8.23 | 8.13 | 8.18 | 8.19 |
| BHP | 19.26 | 19.01 | 19.20 | 19.15 |
| Boral | 3.84 | 3.80 | 3.81 | 3.83 |
| Brambles Ind. | 23.80 | 23.70 | 23.74 | 23.75 |
| CBA | 14.12 | 13.83 | 14.09 | 13.83 |
| CC Amatil | 14.91 | 14.78 | 14.91 | 14.83 |
| Coles Myer | 5.99 | 5.93 | 5.95 | 6 |
| Comalco | 7.24 | 7.15 | 7.19 | 7.30 |
| CRA | 21.20 | 21.06 | 21.10 | 21.12 |
| CSR | 4.52 | 4.46 | 4.49 | 4.48 |
| Fosters Brew | 2.66 | 2.64 | 2.65 | 2.67 |
| Goodman Fld | 1.72 | 1.71 | 1.72 | 1.71 |
| ICI Australia | 12.10 | 11.99 | 11.99 | 11.97 |
| Lend Lease | 24.51 | 24.45 | 24.45 | 24.49 |
| MIM Hdgs | 1.86 | 1.81 | 1.81 | 1.85 |
| Nat Aust Bank | 18.48 | 18.08 | 18.45 | 18.18 |
| Nat Mutual Hdg | 1.91 | 1.89 | 1.89 | 1.88 |
| News Corp | 5.82 | 5.74 | 5.76 | 5.83 |
| Pacific Dunlop | 3.52 | 3.46 | 3.49 | 3.52 |
| Pioneer Intl | 4.30 | 4.25 | 4.29 | 4.27 |
| Pub Broadcast | 6.55 | 6.52 | 6.54 | 6.55 |
| St George Bank | 7.97 | 7.90 | 7.90 | 7.93 |
| WMC | 8.37 | 8.10 | 8.33 | 8.17 |
| Westpac Bking | 7.29 | 7.18 | 7.24 | 7.17 |
| Woodside Pet | 11.28 | 10.90 | 11.28 | 10.85 |
| Woolworths | 3.96 | 3.85 | 3.86 | 3.96 |

### Taipei

Stock Market index: 8150.66 Previous: 8022.89

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Cathay Life Ins | 154 | 151 | 152 | 152 |
| Chang Hwa Bk | 121 | 119 | 120 | 119 |
| Chiao Tung Bk | 72.50 | 71 | 72 | 72 |
| China Develpmt | 117 | 115.50 | 116.50 | 115.50 |
| China Steel | 31 | 30.40 | 30.50 | 30.10 |
| First Bank | 119 | 117.50 | 118.50 | 117 |
| Formosa Plastic | 69 | 65 | 68.50 | 64.50 |
| Hua Nan Bk | 118.50 | 116.50 | 117.50 | 116 |
| Intl Comm Bk | 71.50 | 70 | 70.50 | 70.50 |
| Nan Ya Plastics | 72.50 | 69.50 | 71.50 | 69 |
| Shin Kong Life | 94 | 93 | 93 | 93 |
| Taiwan Semi | 108 | 105 | 106 | 105 |
| Tatung | 57 | 55 | 56 | 55.50 |
| Utd Micro Elec | 70.50 | 68 | 70.50 | 67.50 |
| Utd World Chin | 69.50 | 68.50 | 69 | 68.50 |

### Tokyo

Nikkei 225: 19877.39 Previous: 19842.98

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Ajinomoto | 1200 | 1180 | 1190 | 1180 |
| All Nippon Air | 775 | 765 | 770 | 770 |
| Amway | 4390 | 4180 | 4250 | 4400 |
| Asahi Bank | 811 | 791 | 811 | 791 |
| Asahi Chem | 699 | 687 | 699 | 697 |
| Asahi Glass | 1180 | 1150 | 1170 | 1180 |
| Bk Tokyo Mitsu | 2100 | 2070 | 2090 | 2080 |
| Bk Yokohama | 579 | 558 | 568 | 555 |
| Bridgestone | 2640 | 2570 | 2630 | 2580 |
| Canon | 2720 | 2670 | 2700 | 2700 |
| Chubu Elec | 2140 | 2100 | 2140 | 2100 |
| Chugoku Elec | 2060 | 2030 | 2050 | 2020 |
| Dai Nipp Print | 2480 | 2440 | 2470 | 2450 |
| Daiei | 789 | 758 | 769 | 790 |
| Dai-Ichi Kang | 1380 | 1330 | 1360 | 1320 |
| Daiwa Bank | 460 | 435 | 460 | 435 |
| Daiwa House | 1400 | 1380 | 1400 | 1390 |
| Daiwa Sec | 834 | 822 | 828 | 830 |
| DDI | 8730a | 8600a | 8720a | 8670a |
| Denso | 2850 | 2750 | 2770 | 2860 |
| East Japan Ry | 5600a | 5530a | 5590a | 5520a |
| Eisai | 2290 | 2240 | 2250 | 2250 |
| Fanuc | 4060 | 4010 | 4010 | 4040 |
| Fuji Bank | 1480 | 1430 | 1480 | 1450 |
| Fuji Photo | 4480 | 4330 | 4370 | 4310 |
| Fujitsu | 1340 | 1320 | 1330 | 1350 |
| Hachijuni Bk | 1130 | 1110 | 1130 | 1110 |
| Hitachi | 1230 | 1200 | 1200 | 1250 |
| Honda Motor | 3400 | 3300 | 3310 | 3480 |
| IBJ | 1400 | 1380 | 1390 | 1400 |
| IHI | 493 | 486 | 490 | 490 |
| Itochu | 630 | 610 | 610 | 630 |
| Ito-Yokado | 6820 | 6660 | 6810 | 6700 |
| JAL | 544 | 535 | 543 | 535 |
| Japan Tobacco | 8900a | 8800a | 8830a | 8800a |
| Jusco | 4250 | 4170 | 4190 | 4150 |
| Kajima | 666 | 655 | 657 | 666 |
| Kansai Elec | 2290 | 2210 | 2230 | 2210 |
| Kao | 1560 | 1540 | 1560 | 1540 |
| Kawasaki Hvy | 534 | 523 | 531 | 530 |
| Kawa Steel | 358 | 353 | 356 | 356 |
| Kinki Nipp Ry | 708 | 701 | 701 | 701 |
| Kirin Brewery | 1180 | 1160 | 1170 | 1180 |
| Kobe Steel | 226 | 221 | 224 | 226 |
| Komatsu | 892 | 882 | 882 | 889 |
| Kubota | 579 | 557 | 562 | 576 |
| Kyocera | 7720 | 7600 | 7600 | 7640 |
| Kyushu Elec | 2050 | 2010 | 2030 | 2000 |
| LTCB | 383 | 370 | 379 | 367 |
| Marubeni | 512 | 497 | 510 | 504 |
| Marui | 2220 | 2140 | 2150 | 2190 |
| Matsu Comm | 3340 | 3250 | 3310 | 3230 |
| Matsu Elec Ind | 2120 | 2080 | 2100 | 2150 |
| Matsu Elec Wk | 1320 | 1280 | 1320 | 1270 |
| Mitsubishi | 1420 | 1370 | 1400 | 1340 |
| Mitsubishi Ch | 398 | 379 | 385 | 387 |
| Mitsubishi El | 687 | 672 | 680 | 687 |
| Mitsubishi Est | 1610 | 1580 | 1600 | 1610 |
| Mitsubishi Hvy | 861 | 850 | 857 | 847 |
| Mitsubishi Mat | 896 | 885 | 890 | 894 |
| Mitsubishi Tr | 1570 | 1530 | 1560 | 1530 |
| Mitsui | 1020 | 995 | 1020 | 985 |
| Mitsui Fudosn | 1460 | 1410 | 1450 | 1450 |
| Mitsui Trust | 822 | 810 | 818 | 819 |
| Murata Mfg | 4310 | 4100 | 4100 | 4360 |
| NEC | 1550 | 1520 | 1530 | 1550 |
| Nikon | 1800 | 1770 | 1770 | 1800 |
| Nikko Sec | 709 | 691 | 705 | 691 |
| Nintendo | 8630 | 8620 | 8620 | 8690 |
| Nipp Express | 949 | 911 | 938 | 957 |
| Nippon Oil | 634 | 619 | 627 | 629 |
| Nippon Steel | 346 | 338 | 343 | 349 |
| Nissan Motor | 724 | 701 | 706 | 728 |
| NKK | 252 | 238 | 252 | 247 |
| Nomura Sec | 1420 | 1390 | 1400 | 1390 |
| NTT | 1070b | 1050b | 1060b | 1060b |
| NTT Data | 4230b | 4160b | 4220b | 4190b |
| Oji Paper | 732 | 720 | 720 | 732 |
| Osaka Gas | 309 | 304 | 309 | 302 |
| Ricoh | 1450 | 1410 | 1420 | 1430 |
| Rohm | 10200 | 10100 | 10200 | 10100 |
| Sakura Bk | 690 | 675 | 690 | 675 |
| Sankyo | 3600 | 3530 | 3600 | 3570 |
| Sanwa Bank | 1450 | 1380 | 1430 | 1390 |
| Sanyo Elec | 500 | 487 | 500 | 491 |
| Secom | 8110 | 7870 | 7990 | 8090 |
| Seibu Rwy | 6110 | 6020 | 6100 | 6050 |
| Sekisui Chem | 1240 | 1220 | 1230 | 1210 |
| Sekisui House | 1240 | 1220 | 1240 | 1220 |
| Seven-Eleven | 8740 | 8660 | 8670 | 8670 |
| Sharp | 1590 | 1570 | 1590 | 1560 |
| Shikoku El Pwr | 2000 | 1980 | 1990 | 1980 |
| Shimizu | 704 | 682 | 703 | 691 |
| Shin-etsu Ch | 2560 | 2520 | 2540 | 2560 |
| Shiseido | 1690 | 1650 | 1680 | 1650 |
| Shizuoka Bk | 1160 | 1140 | 1160 | 1150 |
| Softbank | 7950 | 7800 | 7800 | 7950 |
| Sony | 9580 | 9330 | 9400 | 9550 |
| Sumitomo | 1020 | 995 | 1010 | 993 |
| Sumitomo Bk | 1580 | 1540 | 1580 | 1570 |
| Sumit Chem | 482 | 476 | 480 | 480 |
| Sumitomo Elec | 1840 | 1810 | 1830 | 1800 |
| Sumit Metal | 299 | 288 | 299 | 297 |
| Sumit Trust | 1080 | 1030 | 1060 | 1030 |
| Taisho Pharm | 2960 | 2880 | 2880 | 2940 |
| Takeda Chem | 2970 | 2910 | 2970 | 2940 |
| TDK | 8600 | 8410 | 8430 | 8590 |
| Tohoku El Pwr | 2040 | 2000 | 2040 | 2000 |
| Tokai Bank | 968 | 956 | 960 | 958 |
| Tokio Marine | 1470 | 1420 | 1420 | 1430 |
| Tokyo El Pwr | 2290 | 2270 | 2290 | 2250 |
| Tokyo Electron | 4810 | 4560 | 4810 | 4680 |
| Tokyo Gas | 320 | 313 | 320 | 319 |
| Tokyu Corp. | 716 | 700 | 715 | 700 |
| Tonen | 1420 | 1390 | 1410 | 1380 |
| Toppan Print | 1650 | 1620 | 1640 | 1640 |
| Toray Ind | 809 | 794 | 800 | 805 |
| Toshiba | 715 | 707 | 710 | 708 |
| Tostem | 3200 | 3120 | 3160 | 3120 |
| Toyo Trust | 840 | 825 | 828 | 826 |
| Toyota Motor | 3360 | 3290 | 3340 | 3480 |
| Yamanouchi | 2820 | 2720 | 2760 | 2800 |

a: x 100; b: x 1,000

### Toronto

TSE Industrials: 6330.53 Previous: 6307.13

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Abitibi Price | 24.15 | 23.80 | 24 | 23.85 |
| Alberta Energy | 33¼ | 32.45 | 33¼ | 32.40 |
| Alcan Alum | 49.15 | 48¾ | 49 | 48.90 |
| Anderson Expl | 19 | 18¾ | 18¾ | 19.10 |
| Bk Montreal | 53.95 | 53.70 | 53.80 | 53.90 |
| Bk Nova Scotia | 57 | 56.70 | 56.95 | 56¾ |
| Barrick Gold | 33.60 | 33.35 | 33½ | 33.55 |
| BCE | 36.70 | 35.90 | 36.70 | 36 |
| BC Telecomm | 31 | 30.60 | 31 | 31 |
| Biochem Pharm | 31¼ | 31.45 | 31¼ | 31¼ |
| Bombardier B | 28¾ | 27.45 | 27½ | 28¾ |
| Brascan A | 35.45 | 35.30 | 35.30 | 35.40 |
| Cameco | 50¼ | 49½ | 50¼ | 49½ |
| CIBC | 33.90 | 33.55 | 33.80 | 33.80 |
| Cdn Natl Rail | 55.85 | 55.70 | 55.70 | 55½ |
| Cdn Nat Res | 36¾ | 36½ | 36¾ | 36.40 |
| Cdn Occid Pet | 31.30 | 30.40 | 31¼ | 30.15 |
| Cdn Pacific | 36.40 | 36 | 36 | 36.20 |
| Cominco | 40¼ | 40 | 40.05 | 40 |
| Dofasco | 25½ | 25.10 | 25.40 | 25.10 |
| Domtar | 11.30 | 11.15 | 11.15 | 11¼ |
| Donohue A | 30.10 | 29.85 | 30 | 29.85 |
| Du Pont Cda A | 35¾ | 35½ | 35¾ | 35½ |
| Edper Group | 23.85 | 23.65 | 23.80 | 23¾ |
| EuroNev Mng | 41.40 | 40.90 | 40.90 | 41.10 |
| Fairfax Finl | 338 | 334 | 335 | 330 |
| Falconbridge | 30.95 | 30½ | 30¾ | 30.85 |
| Fletcher Chall A | 23¾ | 23¼ | 23.40 | 23½ |
| Franco Nevada | 70.60 | 68¾ | 70.40 | 69¼ |
| Gulf Cda Res | 12.05 | 11.80 | 12 | 11.95 |
| Imperial Oil | 65.30 | 65 | 65.20 | 64.70 |
| Inco | 45.35 | 44.90 | 45.10 | 45 |
| IPL Energy | 42.95 | 42.70 | 42.80 | 42.80 |
| Laidlaw B | 19¼ | 19 | 19.05 | 19.15 |
| Loewen Group | 43¾ | 42.55 | 43 | 42½ |
| Macmill Bldl | 20.65 | 20.20 | 20.65 | 20.30 |
| Magna Intl A | 75 | 74 | 74.10 | 74 |
| Methanex | 12.20 | 12.10 | 12.10 | 12.10 |
| Moore | 30½ | 29.20 | 30¼ | 29 |
| Newbridge Net | 53 | 49.85 | 52.05 | 49.60 |
| Noranda Inc | 32.20 | 32.10 | 32.15 | 32.15 |
| Norcen Energy | 32.80 | 32.40 | 32.80 | 32.70 |
| Nthern Telecom | 115 | 112.65 | 113.85 | 115 |
| Nova | 11.90 | 11.65 | 11¾ | 11.90 |
| Onex | 25½ | 25.30 | 25½ | 25½ |
| Pancdn Petlm | 30.45 | 30¼ | 30.45 | 30¼ |
| Petro Cda | 24.20 | 23¾ | 24.05 | 23¾ |
| Placer Dome | 25¼ | 25 | 25¼ | 25.30 |
| Poco Petlm | 15.10 | 15 | 15.05 | 15.15 |
| Potash Sask | 116 | 115.40 | 115.55 | 115¾ |
| Renaissance | 43.95 | 42.40 | 43¾ | 42.35 |
| Rio Algom | 36.90 | 36.80 | 36.90 | 36.80 |
| Rogers Cantel B | 25½ | 25 | 25 | 25½ |
| Seagram Co | 54.20 | 53.15 | 54.20 | 52.65 |
| Shell Cda A | 57¾ | 57½ | 57¾ | 57½ |
| Stone Consold | 24.15 | 23.90 | 24.15 | 23.90 |
| Suncor | 35.45 | 35.10 | 35¾ | 35.35 |
| Talisman Eny | 47 | 46.40 | 46.70 | 46.35 |
| Teck B | 30¾ | 30.30 | 30.60 | 30.35 |
| Teleglobe | 43.90 | 43¾ | 43.90 | 43¾ |
| Telus | 24.10 | 23.80 | 23.90 | 23.85 |
| Thomson | 30.60 | 30 | 30.15 | 30.30 |
| TorDom Bank | 41.35 | 41.05 | 41.35 | 41.15 |
| Transalta | 16.30 | 16.10 | 16.20 | 16.15 |
| TransCda Pipe | 26.45 | 26 | 26.40 | 25.90 |
| Trimark Finl | 52¾ | 52.20 | 52½ | 52.30 |
| Trizec Hahn | 30.05 | 29¾ | 29.85 | 30.05 |
| TVX Gold | 8.45 | 8.35 | 8.40 | 8.40 |
| Westcoast Eny | 24.40 | 24 | 24.40 | 24.10 |
| Weston | 76.70 | 76¼ | 76.70 | 76¼ |

### Vienna

ATX index: 1287.19 Previous: 1290.11

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Boehler-Uddeh | 927 | 896 | 905.20 | 927 |
| Creditanst Pfd | 517 | 510 | 514.50 | 516 |
| EA-Generali | 3050 | 3001 | 3021 | 3045 |
| EVN | 1692 | 1659.10 | 1662 | 1669.70 |
| Flughafen Wien | 512.80 | 500 | 506.10 | 510 |
| OMV | 1577 | 1548 | 1567.60 | 1574.80 |
| Oest Elektriz | 860 | 858.90 | 860 | 861 |
| VA Stahl | 552 | 545.10 | 552 | 548 |
| VA Tech | 2068.75 | 2045 | 2068.75 | 2055 |
| Wienerberg Bau | 2450 | 2422.80 | 2446 | 2425 |

### Wellington

NZSE-40 index: 2305.74 Previous: 2296.20

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| Air N Zeald B | 4.32 | 4.32 | 4.32 | 4.32 |
| Brierly Invt | 1.35 | 1.34 | 1.35 | 1.34 |
| Carter Holt ord | 3.30 | 3.28 | 3.30 | 3.28 |
| Fletch Ch Bldg | 3.97 | 3.92 | 3.93 | 3.98 |
| Fletch Ch Eny | 4.57 | 4.48 | 4.50 | 4.58 |
| Fletch Ch Forst | 1.95 | 1.92 | 1.94 | 1.92 |
| Fletch Ch Paper | 3.18 | 3.16 | 3.17 | 3.16 |
| Lion Nathan | 3.63 | 3.62 | 3.63 | 3.62 |
| Telecom NZ | 6.80 | 6.72 | 6.80 | 6.72 |
| Wilson Horton | 11.60 | 11.60 | 11.60 | 11.60 |

### Zurich

SPI index: 3266.80 Previous: 3268.35

| | High | Low | Close | Prev. |
|---|---|---|---|---|
| ABB B | 2025 | 2012 | 2012 | 2004 |
| Adecco B | 536 | 511 | 529 | 507 |
| Alusuisse R | 1335 | 1316 | 1319 | 1327 |
| Ares-Serono B | 1960 | 1945 | 1960 | 1965 |
| Atel R | 851 | 851 | 851 | 851 |
| Baer Hdg B | 2004 | 1984 | 1985 | 2000 |
| Baloise Hdg R | 3270 | 3240 | 3270 | 3250 |
| BK Vision | 1044 | 1035 | 1040 | 1038 |
| Ciba Spec Chem | 141.75 | 137.25 | 141.25 | 136.50 |
| Clariant R | 838 | 832 | 837 | 834 |
| Crd Suisse Gp R | 182.50 | 178.75 | 182.50 | 179.75 |
| Elektrowatt B | 537 | 533 | 537 | 534 |
| Ems-Chemie | 6380 | 6310 | 6330 | 6355 |
| ESEC Hdg | 4625 | 4525 | 4600 | 4625 |
| Holderbank B | 1229 | 1212 | 1214 | 1220 |
| Liechtenst LB B | 489 | 486 | 489 | 488 |
| Nestlé R | 1827 | 1803 | 1807 | 1825 |
| Novartis R | 2029 | 2006 | 2014 | 2018 |
| Oerlikn Buehr R | 165 | 155.75 | 165 | 156 |
| Pargesa Hld B | 1802 | 1795 | 1795 | 1799 |
| PharmVisn B | 840 | 834 | 834 | 839 |
| Richemont A | 1995 | 1975 | 1980 | 1995 |
| Pirelli PC | 240 | 235 | 236.50 | 236 |
| Roche Hdg PC | 13495 | 13200 | 13280 | 13420 |
| SBC R | 346.50 | 342 | 342 | 345 |
| Schindler PC | 1845 | 1820 | 1838 | 1818 |
| SGS B | 3285 | 3245 | 3270 | 3240 |
| SMH B | 855 | 840 | 840 | 853 |
| Sulzer R | 1108 | 1084 | 1106 | 1092 |
| Swiss Reins R | 1960 | 1917 | 1955 | 1906 |
| Swissair R | 1447 | 1413 | 1434 | 1379 |
| UBS B | 1535 | 1517 | 1524 | 1523 |
| Winterthur R | 1155 | 1127 | 1152 | 1130 |
| Zurich Assur R | 493.50 | 486 | 486.50 | 485.50 |

### The Trib Index

Prices as of 3:00 P.M. New York time.

| Jan. 1, 1992 = 100. | Level | Change | % change | year to date % change |
|---|---|---|---|---|
| World Index | 165.59 | -0.94 | –0.56 | +11.03 |
| **Regional Indexes** | | | | |
| *Asia/Pacific* | 122.44 | -1.46 | –1.18 | –0.80 |
| *Europe* | 174.85 | -1.25 | –0.71 | +8.47 |
| *N. America* | 191.01 | -0.43 | –0.22 | +17.97 |
| *S. America* | 153.32 | +0.75 | +0.49 | +33.99 |
| **Industrial Indexes** | | | | |
| *Capital goods* | 203.36 | -2.12 | –1.03 | +18.98 |
| *Consumer goods* | 186.83 | -1.90 | –1.01 | +15.73 |
| *Energy* | 195.41 | -0.36 | –0.18 | +14.47 |
| *Finance* | 122.66 | -0.51 | –0.41 | +5.32 |
| *Miscellaneous* | 168.62 | +0.33 | +0.20 | +4.23 |
| *Raw Materials* | 184.36 | -0.83 | –0.45 | +5.12 |
| *Service* | 155.49 | -0.09 | –0.06 | +13.23 |
| *Utilities* | 142.72 | +0.27 | +0.19 | –0.52 |

*The International Herald Tribune World Stock Index © tracks the U.S. dollar values of 280 internationally investable stocks from 25 countries. For more information, a free booklet is available by writing to The Trib Index, 181 Avenue Charles de Gaulle, 92521 Neuilly Cedex, France.* Compiled by Bloomberg News.

# NYSE

**Thursday's 4 P.M. Close**

Nationwide prices not reflecting late trades elsewhere.
*The Associated Press.*


# DID YOU MISS A DAY THIS WEEK?

This past week's front pages are available for viewing on the IHT site on the World Wide Web.

http://www.iht.com


# Thai Central Rules Out R

## Official Rejects Finan

# Korean Wo

## Consumer Groups

# RISK: Unocal's Bet in B

Continued from Page 13

company were forced to ... the gas project, it would ... replaced by another big ... company ... just not an ... American one. What's more, ... company said, its pres... was helping the 35,000 ... people who live near the proj... area, where Unocal and ... are spending $6 million ... education, medical care ... other improvements.

Without any direct interest ... Burma, most oil companies ... a low profile in the dis... One senior executive, ... asked that his name not ... used, said that they saw ... a chance to sway public ... opinion in a debate that pitted ... economic interests against ... human rights.

The breakthrough for Unocal, which is based in El Segundo, California, occurred ... summer when it persuaded one of its home state ... Democrat, that any sanctions ... should be prospective in ... nature. In an interview Wednesday, Mr. Feinstein said she ... was concerned that foreign ... companies would have ... invested in if Unocal had been ... forced to divest last summer.

"There's ... problem with ... that we can ... the foot and ... what we hope ... plish," she ...

Ms. Feinstein ... Cohen, Republican ... co-sponsored the ... limited sanctions ... investments and ... Burmese regime ... further rights abuses ... ment that would ... President Bill Clinton.

Ms. Feinstein ... wanted the ... provide steps ... cluding time to ... gime in Burma ... dialogue with ... wanted to create ... nity for leverage."

The legislation ... law in the fall, ... Unocal signed a ... the state-owned ... & Gas Enterprise ... its operations. ... ARCO also signed ... the wake of the ...

In April, Mr. C... renewed pressure ... groups, activating ... provisions. The ... partment is expected ... rules for implementation ... the next two weeks.

Continued on Page 18

# Thai Central Banker Rules Out Rate Cuts

## Official Rejects Finance Chief's Plea

*Bloomberg News*

BANGKOK — A week after successfully fending off foreign-currency traders' attacks on the baht, Thailand's central bank governor, Rerngchai Marakanond, moved Thursday to deflect a strike from behind his own lines.

In an apparent demonstration of his own independence from political pressure, the Japanese-educated economist poured cold water on speculation that the bank was set to cut interest rates to try to stimulate the sagging economy.

His comments underlined the dilemma facing Thailand and its six-party governing coalition: whether to cut rates to help bail out hundreds of shaky companies or to keep rates at current levels to protect Thailand's currency.

"There is a political rivalry between the Finance Ministry and the central bank," said Prasert Patradhilok, president of IFCT Finance & Securities PCL, an investment bank one-quarter owned by the ministry. "Rerngchai is trying to protect the currency, while the government is trying to reduce rates because the companies can't withstand the pressure."

In response to earlier reports that the central bank would cut the rate at which it lends to commercial banks for the first time in more than two years, Mr. Rerngchai said Wednesday that no reduction was imminent. The reports forecast a cut of one percentage point in the discount rate, to 9.5 percent.

While there is virtual unanimity that Thailand needs to cut interest rates to generate an economic turnaround, disagreement centers on which of the country's litany of woes the government should tackle first.

The slowest economic growth in 11 years, slumping exports and a mountain of bad real-estate debt have hammered banks' and other companies' profits. Thailand's chief stock-market index has lost more than half its value the past 18 months, making it the world's worst performer.

Reversing the slump and helping lenders would require a rate cut.

On the other hand, one of the widest current-account deficits in the world has made Thailand's currency vulnerable to traders betting that the baht, which is basically pegged to the U.S. dollar, should be devalued. These traders drove the baht to an 11-year low against the dollar last week.

Only by cutting off the supply of baht to overseas investors and getting some help from the region's central banks was Mr. Rerngchai able to reverse the baht's decline.

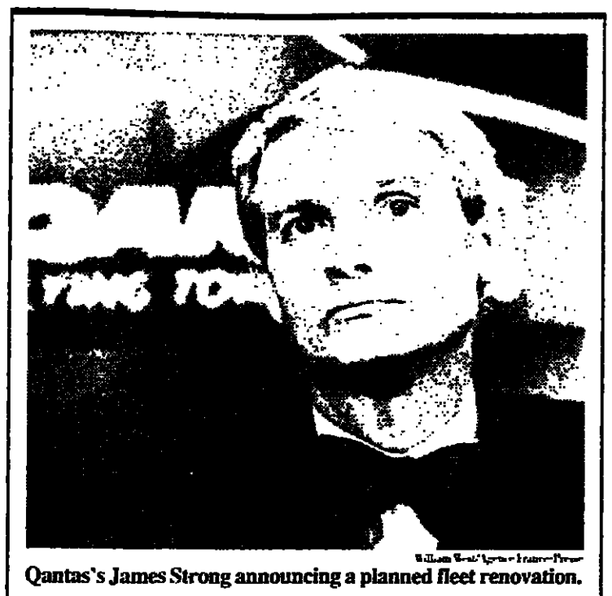
High rates are crucial to attracting overseas capital and defending the currency.

The finance minister, Amnuay Viravan, urges cutting rates now. Too many companies will die without lower rates, he says.

The Bank of Thailand's governor, however, says, "Not so fast." He is more interested in protecting the currency and fighting the inflation that would result from a weaker baht.

Some economists say Mr. Rerngchai will have to bend. They forecast the economy will grow about 3 percent this year, less than half last year's 7 percent rate.

"Lower interest rates have to take precedence right now, that's clear," said Seema Desai, chief regional economist for Schroders Securities in Singapore. "The Bank of Thailand probably doesn't want to look like a political puppet, but rates must come down for a recovery to occur."



Qantas's James Strong announcing a planned fleet renovation.

## Qantas Proposes Airborne Poker

*Agence France-Presse*

SYDNEY — Qantas Airways Ltd. said Thursday that it might offer in-flight gambling as part of a 550 million Australian dollar ($427.7 million) fleet renovation planned for the next three years.

James Strong, the airline's chief executive, said the casino facility could be offered through a 320 million dollar interactive personal-video system that would put a screen in front of every passenger.

Qantas said the projected revenue from gambling could help offset the expense of the renovation and the video system. Any gaming facility would be subject to approval by the Australian government.

# A Chaebol Denies It's In Danger Of Collapse

*Reuters*

SEOUL — New Core Group, the 25th-largest South Korean conglomerate, denied Thursday a local report that it was in serious financial trouble and said its discussions with creditors involved normal business loans.

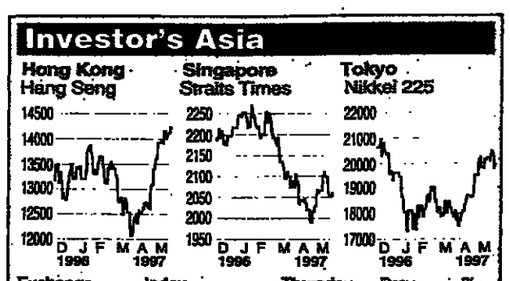
New Core, a distribution and retailing *chaebol*, or conglomerate, has 18 affiliates, none of which is listed.

New Core's finance manager said the company had been seeking 90 billion won ($101 million) from several banks over the past two months, but he insisted that New Core was not in danger of defaulting on its debt payments, although he said the banks had not yet extended any of the requested loans.

The Chosun Ilbo newspaper reported that New Core was seeking 160 billion won to ease pressures caused by excessive expansion.

Concern over the possible collapse of another major set of companies came as South Korea's chief prosecutor said eight politicians, including the mayor of Pusan, would be charged with bribery in connection with the failure of Hanbo Steel & General Construction Co.

## Investor's Asia




| Exchange | Index | Thursday Close | Prev. Close | % Change |
|---|---|---|---|---|
| Hong Kong | Hang Seng | 14,212.00 | 14,235.52 | -0.17 |
| Singapore | Straits Times | 2,061.71 | 2,053.99 | +0.38 |
| Sydney | All Ordinaries | 2,547.90 | 2,543.20 | +0.18 |
| Tokyo | Nikkei 225 | 19,877.39 | 19,841.98 | +0.18 |
| Kuala Lumpur | Composite | 1,071.03 | 1,058.62 | +1.17 |
| Bangkok | SET | 581.39 | 596.19 | -2.48 |
| Seoul | Composite Index | 724.38 | 737.71 | -1.81 |
| Taipei | Stock Market Index | 8,159.66 | 8,022.89 | +1.59 |
| Manila | PSE | 2,586.69 | 2,538.97 | +1.88 |
| Jakarta | Composite Index | Closed | 654.09 | - |
| Wellington | NZSE-40 | 2,305.74 | 2,296.20 | +0.42 |
| Bombay | Sensitive Index | 3,730.78 | 3,735.01 | -0.11 |

*Source: Telekurs* International Herald Tribune

## Very briefly:

• **Japanese** steel companies generally reported weak earnings for the year that ended in March. **Kawasaki Steel Corp.** said the weak yen offset falling steel prices to raise consolidated pretax profit 108 percent from a year earlier, but net profit fell 66 percent, to 8 billion yen ($70.3 million). **Kobe Steel Ltd.** said lower microchip prices dragged down consolidated pretax profit 64 percent, to 21 billion yen. **Nippon Steel Corp.'s** consolidated pretax profit fell 21 percent, to 80.8 billion yen.

• **Hyundai Corp.** of South Korea plans to invest $250 million in Pakistan, the conglomerate's vice president said.

• **Australian** companies' first-quarter profits before income tax, net interest paid and depreciation fell an adjusted 3.4 percent, to 11.49 billion Australian dollars ($8.94 billion), according to the Australian Bureau of Statistics.

• **Marubeni Corp.** and **Japan Petroleum Exploration Co.** acquired concessions for oil fields off the coast of Ireland and in Pakistan and Peru from **Occidental Petroleum Corp.** The companies will invest as much as 5 billion yen in the next two years to explore the fields.

• **Japan's** leading automakers increased their domestic production and exports in April. Domestic production at **Toyota Motor Corp.** rose 8.1 percent, to 290,675 vehicles, while **Nissan Motor Co.'s** output climbed 18 percent, to 135,542, and **Honda Motor Co.'s** rose 23 percent, to 107,771. **Mitsubishi Motors Corp.'s** production rose 15 percent, to 93,742 vehicles, and **Mazda Motor Corp.'s** output rose 12 percent, to 70,022.

• **China's** economic growth in 1997 will be about 10 percent, with inflation around 5 percent, the official Xinhua news agency said, quoting Qiu Xiaohua, chief economist of the State Statistical Bureau.

• **Bangladesh** urged South Korean investors to purchase the country's unprofitable state-owned enterprises, which it said were hampering its economy.

• **Taiwan's** approvals of applications by local companies to invest in China fell 26 percent in April, to 112.9 million Taiwan dollars ($4.1 million), the Ministry of Economic Affairs said. *Bridge News, Reuters, AFP, AP, AFX*

# Electronics Companies Pace Earnings in Japan

*Compiled by Our Staff From Dispatches*

TOKYO — Many Japanese companies released their earnings Thursday for the financial year ended March 31, with leading electronics manufacturers announcing profit increases amid strong demand. Telecommunications-equipment companies and utilities posted disappointing results for the year, as prices came under severe pressure.

• **Sharp Corp.** said its consolidated pretax profit rose 2 percent from a year earlier to 88.6 billion yen ($778.5 million), as revenue rose nearly 9 percent to 1.791 trillion yen.

• **Pioneer Electronic Corp.** said a weaker yen and cost-cutting measures resulted in a consolidated pretax profit of 1.63 billion yen compared with a 14.76 billion yen loss a year earlier. Revenue rose 9 percent to 552.58 billion yen. Net profit was 2.51 billion yen, compared with a net loss of 9.99 billion yen a year earlier.

• **Matsushita Electric Industrial Co.** reported a net profit of 137.85 billion yen for the year, compared with a loss of 56.87 billion yen the previous year. Matsushita, one of the world's leading electronics makers, credited stronger sales, the weaker yen and lower costs. Revenue rose 13 percent to a record 7.676 trillion yen.

• **Sanyo Electric Co.** said a strong overseas performance helped offset "severe" conditions at home as it posted a consolidated pretax profit of 41.5 billion yen. Annual revenue was 1.793 trillion yen. Net profit was 17.7 billion yen for the period.

*In the telecommunications sector:*

• **Kokusai Denshin Denwa Co.** said consolidated pretax profit declined 14.4 percent to 29.4 billion yen. The international telecommunications carrier said revenue rose 39.7 percent to 401.2 billion yen. Net profit fell 6.7 percent to 12.9 billion yen.

• **NEC Corp.** said falling prices for memory devices caused a 20 percent drop in group pretax profit to 121.2 billion yen. The high-tech group said consolidated revenue rose 12.5 percent in the period to 4.948 trillion yen. Net profit increased 18.7 percent to 91.6 billion yen.

*In the utilities sector:*

• **Tokyo Electric Power Co.** said lower demand for electricity drove down consolidated pretax profit 14.9 percent from a year earlier to 142.5 billion yen. The world's largest private electric power company said revenue in the period declined 0.4 percent to 5,012.6 billion yen.

But net profit surged 60.9 percent to 77.4 billion yen.

• **Kansai Electric Power Co.** said high fuel costs caused a 5.5 percent drop in parent pretax profit from a year earlier to 115.4 billion yen. The second largest power company in Japan said revenue increased 1.3 percent to 2,546.7 billion yen. Net profit declined 8.7 percent to 43.8 billion yen. For the year to March 1998, the company forecast a parent pretax profit of 120 billion yen on revenue of 2,660 billion yen and net profit of 60 billion yen.

• **Kyushu Electric Co.** was hardest hit, with parent current profit falling by 25 percent to 61.09 billion yen.

• **Tokyo Gas Co.** said an increase in gas prices eroded unconsolidated pretax profit by 18.5 percent from a year earlier to 28.4 billion yen. The largest of Japan's city gas companies, Tokyo Gas said revenue rose 3.7 percent to 862.6 billion yen. Net profit declined 4.7 percent to 15.3 billion yen. *(Bloomberg, Reuters, AFP, AP)*

# Korean Woes for Amway

## Consumer Groups Boycott Direct-Sales Company

*Bloomberg News*

SEOUL — Park Su Jin thought selling cosmetics would make her rich. Instead, she lost her friends and a small fortune.

Now, the 32-year-old accountant has joined a Korean boycott of Amway Corp., the Michigan-based direct-sales network she holds responsible for her losses.

Miss Park was one of 425 people who filed a complaint against Amway's South Korean operation with the National Council of Consumer Protection Organizations last year. The complaints reflect both the risks of direct-marketing schemes and a growing hostility toward foreign companies that make inroads into Korea's long-protected market.

This week, a coalition of 82 consumer and religious groups agreed to boycott Amway products, alleging it had violated laws barring comparisons between products. The coalition said it also planned to complain about Amway to the Fair Trade Commission.

At first, Miss Park was an Amway devotee. In the first three months, she sold 10 million won ($11,225) of products, quickly becoming a top-level distributor and recruiting friends and family for her sales force.

This gave her friends a chance to make money and brought her big commissions.

Five months later, Miss Park's Amway business failed with debts of 10 million won after her sales network collapsed. Miss Park's salespeople grew tired of the direct-selling grind and quit, leaving her with millions of won in unsold Amway products.

Amway Korea, based in Seoul, is South Korea's biggest multilevel direct-sales business with 60 percent of the local market and 140,000 independent distributors. The six-year-old company, with 800 employees, saw its sales rise 156 percent last year, to 277 billion won.

The consumer group asserted that Amway Korea distributors used misleading tactics to lure new recruits and supplied distributors with rigged demonstration kits for its best-selling dish-washing liquid. The group also claimed that advertising for Amway's detergent, "Dish Drops," calling it environmentally friendly, was false.

Amway officials said they were preparing to fight the boycott campaigns. Amway, with about $6.8 billion in sales for the year ended Aug. 31, manages more than 2.5 million distributors in about 75 countries.

"We can't help it if a few of our distributors decided to compare products at demos, although it is against our policy," said Lee Yong Hak, a spokesman at Amway Korea. "In a way, we are unfairly being made a victim of Korea's anti-import drive," he said.

## Growth Slows In South Korea

*Compiled by Our Staff From Dispatches*

SEOUL — The economy grew at its lowest rate in nearly four years in the first quarter, amid depressed investment and consumption, the Bank of Korea said Thursday.

Gross domestic product in the three months grew at a 5.4 percent annual rate, down from a 7.8 percent rate in the first quarter of 1996, the central bank said. But it said the economy would rebound in the third quarter. *(AFP, AP)*

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AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, 20 May, 1997

# RISK: *Unocal's Bet in Burma*

Continued from Page 13

the company were forced to quit the gas project, it would be replaced by another big foreign company, just not an American one. What's more, the company said, its presence was helping the 35,000 people who live near the project area, where Unocal and Total are spending $6 million on education, medical care and other improvements.

Without any direct interest in Burma, most oil companies kept a low profile in the dispute. One senior executive, who asked that his name not be used, said that they saw little chance to sway public opinion in a debate that pitted economic interests against human rights.

The breakthrough for Unocal, which is based in El Segundo, California, occurred last summer, when it persuaded one of its home state senators, Dianne Feinstein, a Democrat, that any sanctions should be prospective in nature. In an interview Wednesday, Ms. Feinstein said she was concerned that foreign companies would have stepped in if Unocal had been forced to divest last summer.

"There's constantly the problem with these things — that we can shoot ourselves in the foot and not accomplish what we hope to accomplish," she said.

Ms. Feinstein and William Cohen, Republican of Maine, co-sponsored legislation that limited sanctions to future investments and then only if the Burmese regime committed further rights abuses, a judgment that would be left to President Bill Clinton.

Ms. Feinstein said she wanted the legislation to provide some flexibility, including time to see if the regime in Burma would open a dialogue with dissidents. "I wanted to create an opportunity for leverage," she said.

The legislation became law in the fall. In January, Unocal signed a contract with the state-owned Myanma Oil & Gas Enterprise to expand its operations. Texaco and ARCO also signed deals in the wake of the legislation.

In April, Mr. Clinton, under renewed pressure from rights groups, activated the sanction provisions. The Treasury Department is expected to issue rules for implementation in the next two weeks.

In this Saturday's

MONEY

Boats

Cruise line/shipping stocks. Seafood investments.

Herald INTERNATIONAL Tribune
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST
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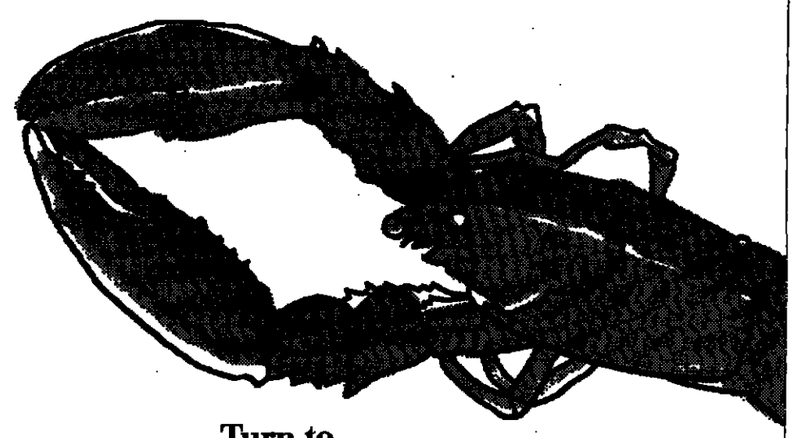

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*The Associated Press.*

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(Continued)

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s - asked + - Offer Prices; N.A. - Not Available; N.C. - Not Communicated; o- New; S - suspended; S/S - stock Split; * - Ex-Dividend; ** - Ex-Rts; - ◆ Offer Price incl. 3% prelim. charge; ^ - Paris exchange; ++ -Amsterdam exchange; a - misquoted earlier; x-not registered with regulatory authority. P: Middle of bid and offered price. E: estimated price; y: price calculated 2 days prior to publication; z: bid price.

The marginal symbols indicate frequency of quotations supplied: (d) - daily; (w) - weekly; (b) - bi-monthly; (f) - fortnightly; (r) - regularly; (t) - twice weekly; (m) - monthly.

## WORLD ROUNDUP

### Russian Still First In the Giro d'Italia

LANCIANO, Italy — Roberto Sgambelluri pulled away over the closing kilometer on Thursday to capture the sixth stage of the Giro d'Italia, but Pavel Tonkov of Russia kept his overall lead of 41 seconds intact.

Tonkov and his chief rival, Luc Leblanc of France, finished in the pack that chased home 16 seconds behind Sgambelluri, who snatched his first professional victory and gave Italy its fourth stage triumph.

Sgambelluri, who rides for Brescialat, averaged 40.652 kph (25.204 mph) over the hilly, 210-kilometer (130-mile) course from Rieti to Lanciano. *(AP)*

### Sitch Won't Play in Paris

**TENNIS** Michael Stich, last year's surprise finalist, said Thursday that he was withdrawing from the French Open, which starts Monday in Paris.

Stich made the announcement after losing, 6-1, 6-3, to Albert Costa of Spain at the World Team Cup in Dusseldorf. He said a nagging shoulder injury had worsened to the point where his serve was nearly ineffective. *(Reuters)*

### Victory for England

**CRICKET** Adam Hollioake and Graham Thorpe rescued England after a shaky start on Thursday to give the home side a six-wicket victory over Australia in the first one-day international at Headingley in Leeds

Hollioake, who was named man-of-the-match, ended the game with a mighty six over square-leg to finish with an unbeaten 66.

Thorpe scored 75 as England, set 171 to win, reached their target in 40.1 of their 50 overs. *(Reuters)*

AP

Pat Burns, who has a history of improving teams quickly.

### Bruins Turn to Burns

**HOCKEY** The Boston Bruins made Pat Burns their new head coach, trusting the two-time coach of the year with Toronto and Montreal to restore another traditional National Hockey League franchise. Burns, 45, becomes only the second man to coach three of the league's "Original Six" teams, and the first since Dick Irvin joined the Canadiens in 1940 after coaching the Blackhawks and Maple Leafs.

Burns took Montreal to the finals and made it to the conference finals twice with Toronto. But the Maple Leafs fired him near the end off the 1996 season during a losing streak.

### New Zealand Stallion Dies

**HORSE RACING** Sir Tristram, one of Australasia's great stallions, was buried on Thursday after being put down following a fall at New Zealand's Cambridge Stud.

Cambridge's owner, Patrick Hogan, told national radio in New Zealand that the 26-year-old horse, whose 620 progeny included 42 Group One winners, broke his leg on Wednesday in a paddock.

Sir Tristram was Cambridge's leading sire, with progeny which included the big mare Empire Rose, winner of the 1987 Melbourne Cup, as well as more than 40 offspring now themselves at stud.

Ray Stubblebine/Reuters

A double exposure of the Blue Jays' Roger Clemens winding up in the seventh inning at Yankee Stadium.

# In a Pinch, Maddux Still Finds a Way to Win

*The Associated Press*

It was no surprise that Greg Maddux won again. What was surprising was the way he won.

Maddux notched his fifth successive victory Wednesday when Keith Lockhart, pinch-hitting, cracked a two-run homer in the bottom of the ninth to give Atlanta a 3-2 victory over Montreal.

It was the first homer of the season for Lockhart, a 32-year-old utility infielder who entered the year with only 15 career homers. "I hit a grand slam once, but I've never hit one like that to win a game," he said."

**NL ROUNDUP**

After Javy Lopez singled and moved to second on a sacrifice, Lockhart pinch hit for Maddux (5-1) and sent a 1-0 pitch from Ugueth Urbina (2-3) over the right-field fence to give the Braves their sixth straight victory.

**Pirates 3, Cardinals 2** At St. Louis, Mark Johnson's bloop double broke an eighth-inning tie as Pittsburgh snapped a four-game losing streak in a game that featured three ejections. The Pirates' pitching coach, Pete Vuckovich, was tossed out in the second inning for arguing a late strikeout call to Jason Kendall that ended up as a double play, and Johnson and Cardinals catcher Mike Difelice were ejected after their collision on the final out in the top of the eighth led to both benches clearing.

**Cubs 7, Phillies 0** At Chicago, Kevin Foster allowed three hits over seven innings, and Mark Grace extended his hitting streak to 15 games.

**Rockies 10, Giants 7** At San Francisco, Kevin Ritz pitched seven strong innings and Ellis Burks had a three-run homer and four RBIs. Ritz (4-4) allowed three runs on five hits in seven-plus innings to become the first Rockies starter to win in 14 games.

**Mets 2, Marlins 1** At Miami, Mark Clark allowed seven hits in eight innings and Edgardo Alfonzo and Bernard Gilkey homered as the New York Mets snapped the Florida Marlins' eight-game winning streak. Greg McMichael worked the ninth for his second save as the Mets prevented the Marlins from matching their franchise record for longest winning streak.

**Padres 5, Dodgers 4** At San Diego, Quilvio Veras's high chopper to second base drove in Chris Gomez from third with the winning run in the 11th inning as the Padres won their season-high third successive game.

**Astros 4, Reds 3** At Houston, Luis Gonzalez's RBI single in the 14th inning scored Jeff Bagwell with the winning run from second. With two outs, Bagwell was intentionally walked by Scott Sullivan (0-1). Bagwell stole second without a throw, and Gonzalez hit to left field.

## *Braves' Glavine Best-Paid Pitcher*

*The Associated Press*

ATLANTA — Tom Glavine of the Atlanta Braves signed a four-year contract extension Thursday for $34 million, making him baseball's highest-paid pitcher.

He is in the final year of a five-year contract and is earning $5 million this year. The new agreement gives him an average of $8.5 million a year, exceeding the $8.25 million Roger Clemens is averaging under his three-year contract with the Toronto Blue Jays.

Glavine, 31, is baseball's winningest pitcher since 1991, with 111 victories.

# Clemens Buries Yanks, Seizing 200th Victory

## *8-Inning Show of Power and Precision*

By Jack Curry
*New York Times Service*

NEW YORK — From the moment Roger Clemens emerged from the third-base dugout with his usual swagger and his intense glare, he was determined to turn the game into his game, turn the evening into his evening and turn Yankee Stadium into his home away from home for a few hours. He was determined to secure his 200th career victory.

With power, precision and panache, Clemens succeeded on all counts in ushering the Blue Jays to a resounding 4-1 victory over the Yankees. Three runs does not qualify as a rout, but Clemens was so dominant that the Yankees hardly threatened against a pitcher who struck out 12 and then scooped up a handful of dirt from the mound after the game was over.

**AL ROUNDUP**

So Clemens became the 94th pitcher in major league history to win 200 games and improved to a gaudy 8-0, which ties the former Yankee Jimmy Key, who is with the Orioles, for the finest record in the American League.

"To have the opportunity to win 200 games definitely puts a smile on my face," Clemens said before the start. "To do it here in a stadium rich with tradition and with all the players who have come through here magnifies it even more."

Clemens and Key have been the premier pitchers in the league and, last night, the 34-year-old right-hander looked like the Clemens of old. He squelched the Yankees on four hits over eight glistening innings. He jumped ahead of hitters with a fastball in the mid-90s and buried the Yankees when he was ahead in the count by buzzing nasty forkballs in the high 80s that doomed New York to its third straight loss and fourth in five games.

*In other games, The Associated Press reported:*

**Brewers 5, Twins 4** At Milwaukee, Ben McDonald survived another shaky start as the Brewers snapped a seven-game losing streak. McDonald (5-3) won despite failing to get out of the sixth inning for the fifth time in his last six starts. Scott Aldred (2-6) gave up five runs on seven hits.

**Orioles 2, Tigers 0** At Baltimore, Scott Erickson got his eighth victory and Rafael Palmeiro hit a two-run homer as Baltimore won its fifth straight.

Erickson (8-1) allowed four hits and five walks before leaving with runners on the corners with two outs in the eighth. Jesse Orosco then picked Damion Easley off first base and Randy Myers worked the ninth for his 15th save.

Indians 1, Royals 0 At Cleveland, the Indians won without hitting a home run for the first time this season and denied Kevin Appier his 100th career victory. Orel Hershiser (4-2) had his best outing of the season, allowing five hits in 7⅓ innings. Appier (4-3) was even better, allowing only two hits in eight innings, but was plagued by eight walks.

**White Sox 10, Red Sox 5** At Chicago, Frank Thomas homered twice and drove in five runs as the White Sox won their sixth in a row. Thomas and Albert Belle hit back-to-back homers in a five-run second inning.

**Athletics 7, Rangers 3** Dave Telgheder got his first victory since September, and Geronimo Berroa homered and drove in three runs as visiting Oakland snapped a four-game losing streak.

**Angels 18, Mariners 3** Gary DiSarcina went 4-for-5 and drove in four runs as the Angels completed a 9-1 home stand. Seattle starter Dennis Martinez gave up seven runs in 1⅓ innings, probably ending the 42-year-old right-hander's stint with the Mariners and possibly signaling the end of his 20-year career.

## *Exiled! Banished! All for a Plastic Cup*

*The Associated Press*

BOCA RATON, Florida — As the starting catcher for the Boca Raton Youth League Dodgers, Melissa Raglin, 12, is used to dealing with bad calls from umpires.

But last week's call at the start of the second inning was the worst.

"When the ump asked me if I was wearing a cup," Melissa said, "I took my helmet off and said, 'I'm a girl.'" It didn't matter.

Babe Ruth League rules mandate that all catchers wear plastic cups to protect them from groin injuries. When she refused to comply, Melissa was banished to the outfield and told she would stay there until she suited up correctly.

The rule is being ridiculed by some, who say the cups are primarily needed to protect male genitals and are not necessary for women. But the league insists girls can suffer groin injuries and must play by the rules.

# *Venue 1: Heavyweight Rivalry*

## Nebiolo's Demand for Bigger Cut of Revenue Is on Hold

*The Associated Press*

MONTE CARLO — It has been a week of unusual setbacks for Primo Nebiolo, the president of the International Amateur Athletic Federation.

First, his re-election as head of the Association of Summer Olympic International Federations did not go as smoothly as planned. Rather than being voted in by acclamation, members asked for a secret ballot. While 21 supported Nebiolo, seven did not, with three votes against and four abstentions.

**OLYMPICS**

Then, on Thursday, Nebiolo was forced to back down from a confrontation with the International Olympic Committee over the distribution of Olympic revenues. He was also turned down in his request for free tickets for events at the Sydney Games in 2000.

Nebiolo had been expected to renew his demand for a bigger share of television and marketing revenues from the Sydney games in the Summer Olympics federation's meeting with the Olympic committee's executive board. But he decided to put off his requests.

Two years ago, the Olympic committee agreed to give the federations $86.6 million in revenues from the 1996 Atlanta Games — a 136 percent increase over the $37.6 million they received from the 1992 Barcelona Games.

The IAAF, placed in a special category, received the biggest single share — $6.5 million. That angered some of the other federations, whose share varied from $2.5 million to $500,000.

But the agreement was only valid for the Atlanta games, and Nebiolo made it known he wanted a bigger share for track and field for Sydney.

Nebiolo said Thursday that he wanted to wait until the situation became "tranquil" before pursuing his goal, pointing out that the Olympic committee president, Juan Antonio Samaranch, was up for re-election in September in Lausanne, Switzerland, where members will also decide which city will hold the 2004 Summer Olympics.

### ■ Refunds From Atlanta Games

The Atlanta Committee for the Olympic Games has settled a class action suit brought by about 5,100 ticket buyers who said they were overcharged for tickets to the 1996 games, The Associated Press reported from Atlanta.

The lawsuit accused the games' organizers of scalping when it sold season tickets to an event. The season tickets combined cost more than tickets to each event bought one at a time.

While the disparity was small for some events, season tickets for swimming cost $2,500, or $836 more than the cost of individual tickets to all swimming events, a lawyer for the plaintiffs said.

## Is He Forgiven? Zoeller Gets Warm Colonial Welcome

*The Associated Press*

FORT WORTH, Texas — He was the man the golf fans came to see, and they couldn't get enough of him. They packed the gallery trailing him, hollered encouraging words and cheered every move.

But it wasn't Tiger Woods the masses at Colonial were after.

This time, it was Fuzzy Zoeller getting the Woodsian treatment. The scene Wednesday came a month after Zoeller apologized for insensitive statements he made about Woods andy after the two met for the first time since the controversy.

Zoeller has been off the PGA Tour since the Masters, where he called Woods "that little boy" and urged him not to request fried chicken or collard greens for the Champions Dinner next year at Augusta National. During his layoff, he has lost a sponsorship deal with Kmart and says he has received letters calling him racist.

The way he was received at Wednesday's pro-am proved that Zoeller is still a fan favorite. After his round, he conceded he hadn't expected such a welcome. "I've had a tough couple of weeks," he said, "so I enjoyed watching smiling faces having fun."

# *Albert's Accuser Faces Charge*

## Woman Had Threatened to Kill Her Former Boyfriend

By Matthew L. Wald
*New York Times Service*

WASHINGTON — The woman who accused Marv Albert, the NBC Sports announcer, of assault and battery and forcing her to perform oral sex is facing a criminal charge herself.

Police and superior court records in the District of Columbia indicate that on three occasions the woman, whose name is being withheld because of the nature of her charges against Albert, called a former boyfriend who lives here and threatened to kill him, his current girlfriend, his dog and then herself.

The charges were first reported by WRC-TV, an NBC affiliate here, which made the court records available to The New York Times. The woman, 42 and a resident of nearby Arlington, Virginia, made the calls on March 13, according to a police report that quotes the former boyfriend.

The woman has accused Albert of assaulting her in a hotel room in Arlington on Feb. 12. Albert has denied the allegations, and in a statement issue Tuesday he said that he was confident of exoneration.

Albert, 53, was indicted Monday by a grand jury, after a police detective testified that the woman had told the police that Albert threw her on a bed in an Arlington Hotel and forced her to commit sodomy. She said Albert had invited her to his hotel room. A police spokesman said the woman "had 10 or 12 severe bite marks on her back, big red welts."

On March 29, the woman was arrested near the apartment of her former boyfriend and charged with making threats. The court papers indicate that at that time she had been unemployed for about a month, after having worked five years as a night hotel manager. She was released on her own recognizance after promising to stay away from the former boyfriend.

According to the former boyfriend, the woman called and told him that "they are going to find four bodies, you, your girlfriend, your dog and me." She was upset by the breakup and because the man was not taking her with him on vacation, the police report says.

### ■ Announcer to Work Saturday

Albert will broadcast the NBA playoff game between the Chicago Bulls and the Miami Heat on Saturday as scheduled, despite his indictment, The Associated Press reported.

NBC said in a statement Thursday that Albert had "vehemently" denied charges that he forced a woman to perform oral sex in a Virginia hotel room.

Albert "at no time was ever afforded any opportunity to discuss the facts with police or prosecuting attorneys," NBC said.

# SCOREBOARD

## BASEBALL

### MAJOR LEAGUE STANDINGS

**AMERICAN LEAGUE**

**EAST DIVISION**

| | W | L | Pct. | GB |
|---|---|---|---|---|
| Baltimore | 30 | 13 | .698 | — |
| New York | 25 | 20 | .556 | 6 |
| Toronto | 23 | 19 | .548 | 6½ |
| Detroit | 19 | 25 | .432 | 11½ |
| Boston | 16 | 26 | .381 | 13½ |

**CENTRAL DIVISION**

| | | | | |
|---|---|---|---|---|
| Cleveland | 22 | 20 | .524 | — |
| Milwaukee | 20 | 21 | .488 | 1½ |
| Chicago | 20 | 22 | .476 | 2 |
| Kansas City | 20 | 22 | .476 | 2 |
| Minnesota | 18 | 27 | .400 | 5½ |

**WEST DIVISION**

| | | | | |
|---|---|---|---|---|
| Texas | 24 | 18 | .571 | — |
| Anaheim | 23 | 20 | .535 | 1½ |
| Seattle | 24 | 21 | .533 | 1½ |
| Oakland | 18 | 28 | .391 | 8 |

**NATIONAL LEAGUE**

**EAST DIVISION**

| | W | L | Pct. | GB |
|---|---|---|---|---|
| Atlanta | 32 | 13 | .711 | — |
| Florida | 27 | 17 | .614 | 4½ |
| Montreal | 24 | 19 | .558 | 7 |
| New York | 24 | 21 | .533 | 8 |
| Philadelphia | 17 | 27 | .386 | 14½ |

**CENTRAL DIVISION**

| | | | | |
|---|---|---|---|---|
| Houston | 24 | 22 | .522 | — |
| Pittsburgh | 22 | 22 | .500 | 1 |
| St. Louis | 18 | 26 | .409 | 5 |
| Chicago | 16 | 28 | .364 | 7 |
| Cincinnati | 14 | 30 | .318 | 9 |

**WEST DIVISION**

| | | | | |
|---|---|---|---|---|
| San Francisco | 25 | 18 | .581 | — |
| Colorado | 24 | 20 | .545 | 1½ |
| Los Angeles | 23 | 20 | .535 | 2 |
| San Diego | 18 | 25 | .419 | 7 |

**WEDNESDAY'S LINE SCORES**

**AMERICAN LEAGUE**

| | | | | | | |
|---|---|---|---|---|---|---|
| Minnesota | 010 | 003 | 000 | —4 | 8 | 0 |
| Milwaukee | 040 | 010 | 00x | —5 | 7 | 1 |

Aldred, Jarvis (5) and G. Myers; McDonald, Wickman (6), Do.Jones (9) and Matheny. W—McDonald, 5-3. L—Aldred, 2-6. Sv—Do.Jones (10). HRs—Minnesota, G. Myers (1), Coomer (3).

| | | | | | | |
|---|---|---|---|---|---|---|
| Detroit | 000 | 000 | 000 | —0 | 5 | 0 |
| Baltimore | 200 | 000 | 00x | —2 | 5 | 1 |

Thompson and Casanovar; Erickson, Orosco (8), Myers (9) and Webster. W—Erickson, 8-1. L—Thompson, 4-3. Sv—Myers (15). HR—Baltimore, Palmeiro (7).

| | | | | | | |
|---|---|---|---|---|---|---|
| Toronto | 004 | 000 | 000 | —4 | 9 | 0 |
| New York | 000 | 000 | 010 | —1 | 4 | 0 |

Clemens, Plesac (9), Timlin (9) and Santiago; Ks.Rogers, Boehringer (8) and Girardi. W—Clemens, 8-0. L—Ks.Rogers, 3-2. HR—New York, Sprague (8).

| | | | | | | |
|---|---|---|---|---|---|---|
| Kansas City | 000 | 000 | 000 | —0 | 6 | 0 |
| Cleveland | 000 | 100 | 90x | —1 | 2 | 0 |

Appier and Sperry; M. Sweeney (7); Hershiser, Mannan (8), Shuey (8), M. Jackson (9) and S. Alomar. W—Hershiser, 4-2. L—Appier, 4-3. Sv—M. Jackson (6).

| | | | | | | |
|---|---|---|---|---|---|---|
| Boston | 010 | 220 | 000 | —5 | 11 | 1 |
| Chicago | 250 | 010 | 11x | —10 | 11 | 0 |

Hammond, Wasdin (5), Slocumb (8) and Hatteberg; Drabek, McElroy (6), Simas (8), R. Hernandez (9) and Karkovice. W—Drabek, 3-3. L—Hammond, 1-3. HRs—Boston, Jefferson (6). Chicago, F. Thomas 2 (9), Belle (7).

| | | | | | | |
|---|---|---|---|---|---|---|
| Oakland | 211 | 020 | 100 | —7 | 9 | 0 |
| Texas | 000 | 010 | 020 | —3 | 9 | 1 |

Telgheder, A. Small (8), Taylor (9) and Ga.Williams; Santana, Alberro (5) and I. Rodriguez. W—Telgheder, 1-2. L—Santana, 2-1. HR—Oakland, Berroa (8).

| | | | | | | |
|---|---|---|---|---|---|---|
| Seattle | 010 | 101 | 000 | —3 | 10 | 2 |
| Anaheim | 160 | 235 | 10x | —18 | 21 | 0 |

De.Martinez, Holzerser (2), S. Sanders (4), B. Wells (6), Manzanillo (7), Charlton (8) and Da.Wilson. Marzano (7). C.Fleiher, Hasegawa (8) and Leyritz. W—C. Finley, 2-3. L—De.Martinez, 1-5. HRs—Seattle, Buhner (8). Anaheim, Grebeck (1), Edmonds (10), Howell (3).

**NATIONAL LEAGUE**

| | | | | | | |
|---|---|---|---|---|---|---|
| Montreal | 000 | 000 | 200 | —2 | 8 | 1 |
| Atlanta | 000 | 010 | 002 | —3 | 5 | 0 |

Bellinger, Urbina (8) and Widger; G.Maddux and Ed.Perez, J.Lopez (8). W—G. Maddux, 5-1. L—Urbina, 2-2. HR—Atlanta, Lockhart (1).

| | | | | | | |
|---|---|---|---|---|---|---|
| Pittsburgh | 010 | 000 | 110 | —3 | 6 | 1 |
| St. Louis | 020 | 000 | 000 | —2 | 10 | 0 |

F.Cordova, Ruebel (7), Loiselle (9) and Kendall; Al.Benes, Fossas (8), T. J.Mathews (8) and Difelice, Lampkin (8). W—Ruebel, 2-2. L—Fossas, 1-1. Sv—Loiselle (3).

| | | | | | | |
|---|---|---|---|---|---|---|
| Philadelphia | 000 | 000 | 000 | —0 | 4 | 2 |
| Chicago | 120 | 001 | 30x | —7 | 10 | 0 |

E.Ramos, Blazier (6), Ryan (7), Plantenberg (8) and Parent; Foster, Patterson (8), Rojas (9) and Servais. W—Foster, 5-3. L—E. Ramos, 0-1. HR—Chicago, Sosa (10).

| | | | | | | |
|---|---|---|---|---|---|---|
| Colorado | 300 | 200 | 302 | —10 | 10 | 0 |
| San Francisco | 000 | 000 | 043 | —7 | 11 | 4 |

Ritz, Dipoto (8), Holmes (8), S. Reed (9) and Manwaring; Ruefer, Fosse (5), Tavarez (9) and Jensen. W—Ritz, 4-4. L—Ruefer, 2-1. Sv—S. Reed (3). HRs—Burks (9), Galarraga (10).

| | | | | | | |
|---|---|---|---|---|---|---|
| New York | 000 | 011 | 000 | —2 | 6 | 0 |
| Florida | 000 | 000 | 001 | —1 | 5 | 0 |

M.Clark, McMichael (9) and Hundley; A.Leiter, Hutton (6), F.Heredia (7), Powell (8) and C. Johnson, Zaun (8). W—M. Clark, 5-2. L—A. Leiter, 3-3. Sv—McMichael (2). HRs—New York, Alfonzo (2), Gilkey (3).

| | | | | | | |
|---|---|---|---|---|---|---|
| Cincinnati | 100 | 100 | 010 | 000 | 00 | —3 14 0 |
| Houston | 002 | 000 | 100 | 000 | 01 | —4 11 1 |

(14 innings) Morgan, Carrasco (7), Remlinger (9), Belinda (10), Sullivan (11) and J. Oliver; Reynolds, Hudek (8), B. Wagner (8), Lima (10), R.Garcia (12), Martin (14) and Eusebio. Ausmus (10). W—Martin 2-1. L—Sullivan, 0-1. HRs—Cincinnati, R. Sanders (6). Houston, Bagwell (15).

| | | | | | | |
|---|---|---|---|---|---|---|
| Los Angeles | 100 | 012 | 000 | 00 | —4 | 9 1 |
| San Diego | 002 | 002 | 000 | 01 | —5 | 6 1 |

(17 innings) Park, Guthrie (7), Hall (8), Radinsky (9), Osuna (10) and Piazza; Ti. Worrell, Bochtler (8), Hoffman (10) and Flaherty. W—Hoffman, 2-3. L—Osuna, 1-1. HRs—LA, Karros (5). San Diego, Cr.Jones (4).

### JAPANESE LEAGUES

**CENTRAL LEAGUE**

**THURSDAY'S RESULTS**

Hiroshima 2, Yakult 0
Chunichi 2 Hanshin 1
Yomiuri 2, Yokohama 1

**PACIFIC LEAGUE**

**THURSDAY'S RESULTS**

Seibu 6, Daiei 5
(11 innings) Nippon Ham 3, Orix 2
(12 innings) Lotte 5, Kintetsu 4

## BASKETBALL

### NBA PLAYOFFS

**CONFERENCE FINALS**
**(BEST-OF-SEVEN)**
**WEDNESDAY'S RESULT**

| | | | | | |
|---|---|---|---|---|---|
| Houston | 23 | 19 | 26 | 24— | 92 |
| Utah | 25 | 23 | 35 | 21— | 104 |

H: Olajuwon 12-22 6-9 30, Barkley 5-12 6-10 16; U: Stockton 7-14 12-12 26, Malone 9-21 6-10 24. Rebounds—Houston 45 (Barkley 12), Utah 67 (Malone 15). Assists—Houston 13 (Drexler 4), Utah 27 (Stockton 12).
(Utah leads series 2-0)

## CYCLING

### GIRO D'ITALIA

Leading placings in the 210 km 6th stage of the Giro d'Italia from Rieti to Lanciano:

1. Sgambelluri, It., Brescialat 5 hours 9 min. and 57 sec.; 2. Frigo, It., Saeco; 3. Cappellini, It., Magliificio MG; 4. Steinhauser, Ger., Ceramiche R. s.r.; 5. Baldato, It., Magliificio MG at 16 s.; 6. Wust, Ger., Festina; 7. Konyshev, Rus., Rosiolita; 8. Belli, It., Brescialat; 9. Montini, It., Kross; 10. Genitil, It., Canting Tolla, s.t.

**OVERALL:** 1. Tonkov, Rus., Map, 23 h. 43 m. 2 s.; 2. Leblanc, Fr., Polti at 41 s.; 3. Gotti, It., Saeco 1:07; 4. Petito, It., Saeco 1:13; 5. Pantani, It., Mercatone U. 1:21; 6. Noe', It., Asics 1:43; 7. Cappollio 1:49; 8. Savoldelli, It., Rosiolita 2:40; 9. Piepoli, It., Ceramiche R. 2:49; 10. Shefer, Kazak., Asics 3:05.

## CRICKET

**AUSTRALIA TOUR**
**1ST 1-DAY INTERNATIONAL**
**ENGLAND VS. AUSTRALIA**
**THURSDAY, IN LEEDS, ENGLAND**

England: 175-4 (40.1 overs).
Australia: 170-8 (50 overs)
England won by six wickets.

## SOCCER

**WORLD CUP QUALIFIER**
**EUROPEAN ZONE, GROUP 8**

*Ireland 5, Liechtenstein 0*

**STANDINGS:** Romania 18 points; Ireland 10; Macedonia 10; Lithuania 9; Iceland 2; Liechtenstein 0.

**UEFA CUP**
**FINALS, RETURN LEG**

Internazionale Milan, Italy 1, Schalke 04, Gelsenkirchen, Germany, 0
Schalke 04 won 4-1 on penalties after 1-1 aggregate.

**COPA LIBERTADORES**
**QUARTERFINALS, FIRST LEG**

Bolivar, Bolivia, 2, Sporting Cristal, Peru, 1
Penarol, Uruguay, 1, Racing Club, Argentil, 0
Univers. Catolica, Chile, 2, Colo Colo, Chile, 1

**HUNGARY CUP FINAL**
**IN BUDAPEST, 1ST LEG**

MTK 6, BVSC 0

## TENNIS

**MADRID YELLOW PAGES OPEN**
**THURSDAY, IN MADRID**
**QUARTERFINALS**

Monica Seles (1), U.S., def. Virginia Ruano, Spain, 6-2, 6-1.
Arantxa Sanchez Vicario (3), Spain, def. Ann Grossman, U.S., 6-1, 6-1.
Florencia Labat, Argentina, def. Irinia Spirlea, Romania (4), 6-2, 7-5.
Jana Novotna (2), Czech Republic, def. Gala Leon, Spain, 6-3, 6-4.

**STRASBOURG OPEN**
**THURSDAY, IN STRASBOURG, FRANCE**
**QUARTERFINALS**

Amanda Coetzer (3), South Africa def. Naoko Kijimuta, Japan, 6-2, 6-3.
Steffi Graf (1), Germany, def. Sandrine Testud, France, 3-6, 6-2, 6-1.
Judith Wiesner (4), Austria def. Sabine Appelmans (6) Belgium 6-3, 6-4.
Mirjana Lucic, Croatia, def. Natasha Zvereva, Belarus, 7-5, 6-3.

**ST.POELTEN GRAND PRIX**
**THURSDAY, IN ST POELTEN, AUSTRIA**
**QUARTERFINALS**

Dominik Hrbaty, Slovakia, def. Karim Alami, Morocco, 6-1 6-2.
Marcelo Filippini, Uruguay, def. Tomas Nydahl, Sweden, 7-5 6-1.
Patrick Rafter (7), Australia, def. Thomas Muster (1), Austria, 6-3 7-6 (7-0).
Sjeng Schalken, Netherlands and Magnus Norman, Sweden, 6-1 1-6, rain interrupted.

## TRANSITIONS

**BASEBALL**
**AMERICAN LEAGUE**

**CHICAGO**—Bought contract of INF Scott Leius, St.Paul, NL, sent him to Nashville, AA.

**NATIONAL LEAGUE**

**ATLANTA**—Agreed to terms with LHP Tom Glavine to 4-year contract.
**CHICAGO**—Optioned OF Brooks Kieschnick to Iowa, AA. Called up INF-OF Brant Brown from Iowa.
**FLORIDA**—Optioned INF Ralph Milliard to Charlotte, IL.
**PITTSBURGH**—Optioned RHP Roman Morel to Calgary, PCL. Activated LHP Matt Ruebel from 15-day disabled list.
**ST. LOUIS**—Purchased contract of LHP Rigo Beltran from Louisville, AA. Optioned RHP Brady Raggio to Louisville.
**SAN DIEGO**—Reassigned RHP Bill Anderson to Mobile, SL.

**BASKETBALL**
**NATIONAL BASKETBALL ASSOCIATION**

**WASHINGTON**—Fired Clifford Ray assistant coach.

**FOOTBALL**
**NATIONAL FOOTBALL LEAGUE**

**GREEN BAY**—Agreed to terms with LB Wayne Simmons on 1-year contract.
**SAN DIEGO**—Sign TE Freddie Jones to 3-year contract and T Mike Withycombe.

**HOCKEY**
**NATIONAL HOCKEY LEAGUE**

**BOSTON**—Named Pat Burns coach.
**CALGARY**—Re-signed LW Todd Hlushko to 2-year contract.

## SPORTS

# Schalke Downs Inter Milan to Win UEFA Cup

*Compiled by Our Staff From Dispatches*

MILAN — In the end, it came down to penalties and "a matter of luck."

With luck on its side, Schalke 04 of Germany beat the favored Inter Milan on penalty shots Wednesday night in the second leg of the UEFA Cup final to capture its first European club trophy in 93 years.

The penalties were kicked in the sold-out San Siro stadium after extra time failed to break a 1-1 aggregate deadlock at the end of the second-leg final.

A goal by Inter's Chilean striker, Ivan Zamorano, *with six minutes left* in the regular 90 minutes, evened Schalke's victory by the same score in the first-leg at Gelsenkirchen two weeks ago. Zamorano, who had revived Inter's fading hopes with his late goal, missed the first penalty for the home team.

Inter's Dutch midfielder, Aron Winter, failed to convert another while the German players kicked in all four penalties for the winning side.

Schalke, which had entered the two-leg final of the European competition as the underdog, became the fifth German team to win the UEFA Cup, while Inter failed in its attempt to win it for the third time in six years.

Thousands of Schalke fans in the club's hometown of Gelsenkirchen, in the Ruhr Valley industrial heartland, celebrated throughout the night after their team's victory.

It was the first European trophy in Schalke's 93-year history and its first title of any kind in 25 years.

Although the victory came on penalties, it was well deserved. The visitors outplayed Inter and had more scoring chances during the regular time.

Zamorano's goal in the 84th minute appeared to be a lucky strike after Inter's goalie, Gianluca Pagliuca, made at least four sensational saves.

Inter played the last half hour with 10 men after one of its defenders, Salvatore Fresi, was sent off in the 90th minute after his second booking of the match. After Fresi was ejected, Inter played with more purpose and came close to scoring on several occasions.

Maurizio Ganz hit the underside of the crossbar late in the second half of

EUROPEAN SOCCER

extra time and felt he was robbed of a penalty in the first period, but Schalke held on.

Inter's hopes of a third UEFA Cup in a decade evaporated in the shoot-out when Schalke's goalkeeper, Jens Lehmann, saved Zamorano's opening shot with a dive.

Aron Winter then sidefooted his spot-kick wide of the goal, leaving Marc Wilmots — scorer of the goal in the first leg — to slot home for the Schalke victory.

"I think that when you get to penalties it is no longer a question of merit," said Inter's departing coach, Roy Hodgson, after complimenting the Schalke coach, Huub Stevens.

The trophy was Schalke's first since capturing the German Cup in 1972.

"We knew that we would have a good chance on penalties," Stevens said. "It is going to take me a couple of hours to realize what we have done."

For much of the match, Schalke looked like the hungrier team and defended well against a desperate but strangely disjointed Inter team that never seemed to find its flow.

Javier Zanetti played his heart out in midfield, but the pace seemed too frantic and the strikers were repeatedly frustrated. Zanetti was substituted in the dying seconds of extra time by Nicola Berti, prompting a furious response from the Argentine, who appeared to lash out at Hodgson and had to be restrained by teammates on the bench.

"I'm disappointed that a player on the team cannot give up 30 seconds of his time for a teammate," said Hodgson, denying that a punch had been thrown. He said Zanetti does not make penalty kicks — "Berti does."

The Spanish referee booked a total of 10 players, five from each side, as tempers began to fray. One was the completely innocent Schalke captain, Olof Thon, who was booked after Michael Buskens felled Zanetti as the Argentine was running on goal.

Wilmots was treated for a head wound late in the second half and struggled to get back into the game.

The Italian team began the season with high hopes, thanks to the free-spending ways of its owner, Massimo Moratti, an oil industrialist.

But the final Wednesday night was Inter's last chance to claim a crown. It has already been eliminated from title contention in league play, and was a semifinal loser in the Italian Cup.

Jürgen Schwarz Reuters

**Youri Mulder of Schalke celebrating with hometown fans on Thursday.**

In third place with two games left on the calendar, Inter still has a shot at catching No. 2 AC Parma in the Serie A standings. Second place will award a berth in next season's Champions League, Europe's most lucrative and prestigious competition for clubs.

"We learned a good lesson out there," Moratti said after his team went down. "Getting spanked every so often is good for you. It helps you grow up." *(Reuters, AP)*

### ■ Aston Villa and Galaxy Draw

Stan Collymore spoiled Kevin Hartman's shutout bid in the 75th minute as Aston Villa of England's Premier League tied the Los Angeles Galaxy of U.S. Major League Soccer, 1-1, in an exhibition match at the Rose Bowl. The Associated Press reported from Pasadena, California.

In his debut Wednesday night with Aston Villa after being transferred from Liverpool for £7 million ($11.4 million) last week, Collymore headed in Mark Draper's pass from about five yards out on Aston Villa's only shot on goal in the second half.

Welton had given Los Angeles a 1-0 lead, scoring in the 59th minute. He fanned on his first shot attempt, but maintained possession and fired the ball into the net.

# *Improbable Triumph: Thank the Laptop*

*Reuters*

GELSENKIRCHEN, Germany — A laptop computer filled with the penalty-kicking habits of Inter Milan's high-priced stars helped underdogs Schalke to their improbable UEFA Cup triumph.

The Schalke goalkeeper, Jens Lehmann, and captain, Olaf Thon, revealed Thursday that the team had studied the computer records prepared by coach Huub Stevens, scouring the data for useful clues on who kicks where under what conditions.

The data helped Lehmann stop Inter's crucial first penalty kick by Ivan Zamorano and paved the way for the 4-1 penalty shoot-out victory on Wednesday.

"I had checked with the laptop and whenever Zamorano took a long run up he always kicked it to the left," Lehmann said. "And that's exactly what he did."

Lehmann's diving save of Zamorano's shot put immense pressure on Inter, whose fate was then sealed moments later when Aron Winter sidefooted his spot-kick wide of the goal.

Schalke scored all four of their penalties for the victory, which touched off an all-night celebration in the Ruhr Valley city of Gelsenkirchen.

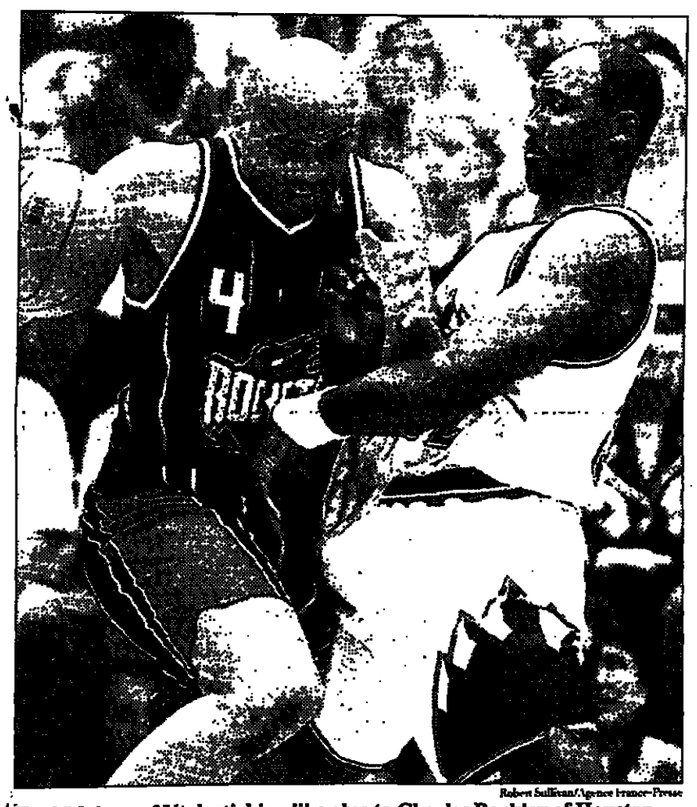
A crowd of 60,000 met the team for another celebration at the town hall early Thursday afternoon.

"It will take a while for it to sink in that we have achieved the greatest win in club history," said Thon.

Undeterred by steady rain, about 30,000 Schalke fans watched the match on a giant videoscreen at the team's Park Stadium. The city streets were almost deserted during the match.

"You simply cannot imagine what the success of Schalke means for this whole region," said Andre Mueller, a local priest. "Schalke is a whole way of life for everyone here. A lot of people say they feel like second-class Germans. This has elevated their self-worth to an astonishing degree."

It was the first European trophy in Schalke's 93-year history. Schalke captured its last major trophy in 1972, when it won the German Cup.



Robert Sullivan/Agence France-Presse

**Karl Malone of Utah sticking like glue to Charles Barkley of Houston.**

# 2 Games Up, Rollicking Jazz Head to Houston

By Tom Friend
*New York Times Service*

SALT LAKE CITY — Hall of Famers grow on trees in these Western Conference finals, but neophytes are people, too.

Two anonymous players changed the course of Wednesday night's 104-92 victory by the Utah Jazz during a raucous third-quarter scoring spree, and John Stockton took it from there.

By night's end, Stockton nearly had a quadruple double (26 points, 12 assists, 8 rebounds, 8 moving screens), and the Houston Rockets decided if they couldn't beat him, they would beat him up.

Stockton set a late, leaning pick on the wrong person. Charles Barkley, and Barkley went for Stockton's jugular, literally. As flagrant fouls go, it was an 11 on a scale of 10, and Barkley did not help him up, either.

"Obviously, the refs are not going to do their job; they're going to let him set moving picks," Barkley said. "So I was trying to separate a shoulder or break a rib. I was serious."

So one minute the Rockets are acting sophomoric, the other they are acting their age — ancient. They shot 36 percent, were outrebounded by 56 to 37 and turned the no-names Greg Foster and Howard Eisley into scoring machines. The Rockets trail this four-of-seven-game series, 2-0, have not had a fast-break basket in days and need an offensive alternative to Hakeem Olajuwon.

"We've got to win Friday," Barkley said, referring to Game 3 in Houston. "We've got to win Friday. You can come back from 3 to 1, but not 3-zero."

The rebounds are Barkley's department, the scoring is Olajuwon's department and the tempo is point guard Matt Maloney's department — and one out of three isn't good. Olajuwon rang

NBA PLAYOFFS

up his usual 30 points, but Barkley's numbers (16 points, 12 rebounds and 6 fouls, following his mere 12 points in Game 1) sounded better on paper, while Maloney is looking more like a Continental Basketball Association player every day.

The Rockets had a whole two fast-break points, and Barkley had separate two-footers returned to sender by Foster, a reserve center.

Asked about all the rebounds he failed to swallow whole, Barkley said: "I guess I've got to get some more, my brother. I've just got to get them."

Utah, meanwhile, has now swept 21 straight home games, is 33-3 over all since March 1 and won Wednesday night with a one-handed power forward. Karl Malone's right palm is the color purple since he landed hand-first in a Game 1 tumble, and he was shooting finger rolls Wednesday night when he is usually dunking. He has a gory laceration the size of a quarter, yet he still finished with 24 points and 15 rebounds. But he has a bench to congratulate.

The Utah lead was a tenuous 68-66 with 3 minutes 44 seconds remaining in the third quarter, when the Rockets coach, Rudy Tomjanovich, gave his offense — Olajuwon — a quick rest. As substitutions go, it was a bomb, because Foster and Eisley fueled a 15-2 run to end the quarter, and essentially the game.

"No sooner did the big fellow go out, and boom," Rocket guard Mario Elie said.

There were 2 points by off guard Jeff Hornacek, 7 from reserve point guard Eisley and 4 from Foster, who had replaced Greg Ostertag, who had missed two dunks.

Stockton then had 10 points, 3 assists and the elbow of the evening in the fourth quarter. Maloney was the recipient of the latter — straight to his upper teeth — and Elie called it "borderline dirty" and suspected it was on purpose by the way Stockton eyed Maloney unsympathetically.

Naturally, this struck a chord with the Rockets, who insist the Jazz are the dirtiest team on earth. Specifically, forward Eddie Johnson said they are "the most hated team in the league," and Olajuwon seconded that.

"They're a dirty team," Olajuwon said. "They want to appear like they're good guys. They want the world to call them good guys. But they are not. They are bad guys, the way they play the game."

The Utah fans are not popular with the Rockets, either. In the first half, a foghorn had to be confiscated from a courtside spectator who had been blowing it in the faces of Houston free throw shooters, and Barkley went one row up to talk to another.

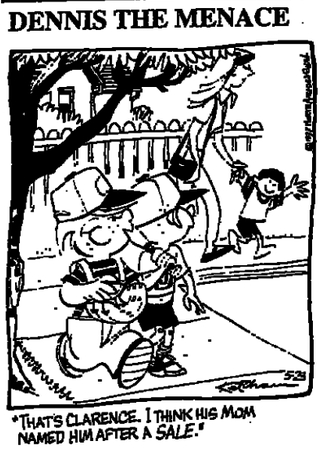
"They've got foghorns," Johnson said, "and they heckle. It's derogatory stuff a lot of fans will say in other cities, but they've got a lot of them here. In New Jersey, they've got four or five in a group, and in D.C. you've got Robin Ficker. But in Utah, baseline to baseline, sideline to sideline, you've got hecklers. They think they're cute, but it hurts their team. It's gotten us fired up, and I know it fires Jordan up."

Obviously, that and the moving screens fired Barkley up, too — hence his steamroll of Stockton — but the 175-pound Stockton didn't even flinch.

"That's a dumb foul," Foster said of Barkley. "Obviously, he was trying to make a statement, but will Stockton stop setting picks now?

"I doubt it."

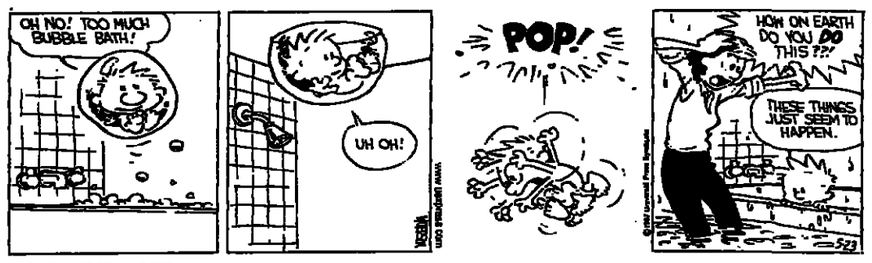
DENNIS THE MENACE



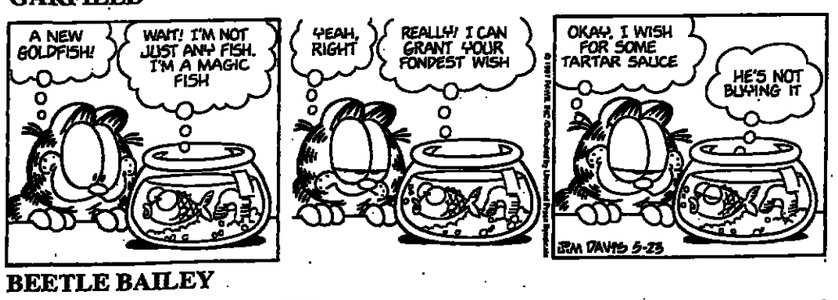
*"THAT'S CLARENCE. I THINK HIS MOM NAMED HIM AFTER A SALE."*

PEANUTS

CALVIN AND HOBBES




GARFIELD

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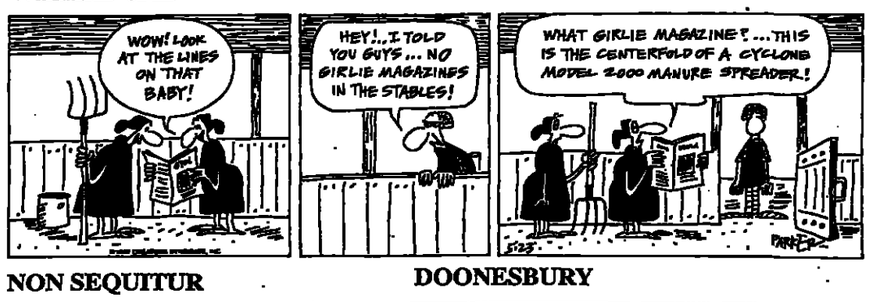
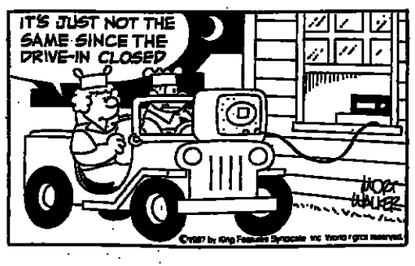



BEETLE BAILEY

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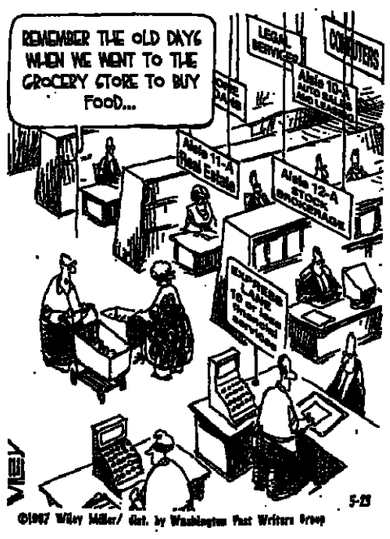


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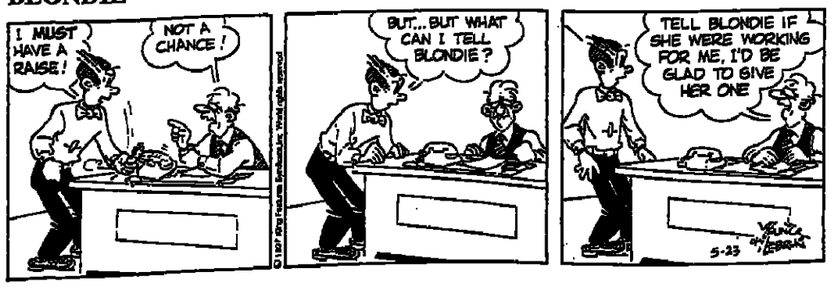


JUMBLE.

THAT SCRAMBLED WORD GAME by Henri Arnold and Mike Argirion

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

OMIDI

RONOC

TERVOX

IPCINC

Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: WITH

(Answers tomorrow)

Yesterday's Jumbles: FROZE OWING PARDON HAPPEN
Answer: What the owner wanted the plumbers to do — PIPE DOWN

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## OBSERVER

# *People Are Mad*

By Russell Baker

NEW YORK — American politics is dead. Government *is scarcely breathing.*

Washington media people worth hundreds of millions of dollars are withering away for lack of news from the Potomac shore. Desperate columnists sob and say, "There is no news."

No news? Nonsense. Of course there is news. This is a country with 250 million people who don't want any news from Washington and, even if they did, wouldn't expect any news from Washington because they don't think Washington could pour stale beer out of a boot if the instructions were printed on the heel.

These people are mad, as in, "I'm mad as *hell* and I'm not going to take it anymore." As in "Network," the movie that gave us that *line, these people, expecting* nothing of consequence from any government, can only go to the window and scream. Or *write to a convenient* newspaper columnist.

□

*Here is John M. of Queens,* New York, and he is mad about car alarms. Inspired by the president's recent dog-*and-pony show about volun*teerism, he wants "to donate crowbars and wire cutters to open the hood of cars whose alarms blare outside my window at all hours."

Here is a New York woman, Phyllis H., mad about "a *bus ride from hell*" — presumably New York — to Philadelphia:

"On the 9 A.M. bus, a *mandatory movie!* VCR screens, the sound track loud and clear through the P.A. speaker at each ear, Sergeant Bilko barking all the way! *Ditto* on the return trip."

This is just one example of the entire society's determination to entertain you whether *you like it or not. She lists* other examples:

"Was regaled with light hillbilly music while strapped into an M.R.I. machine at N.Y.U. Medical Center — my preference not solicited."

"Telephone 'holds' connected to loud rock music.... Doctors' and clinic waiting rooms with canned music keyed to the lowest common denominator."

If politics were not dead, if government were about anything any more, something would be done to stop this wanton and brutal entertainment with which inhuman agencies infest the world, presumably to distract us from the temptation to think.

For dudgeon at its highest, however, our award goes to *Steve V. of Pomona,* Taxifornia, as he styles, I assume, the Golden State.

This irate Taxifornian has *been reading news stories* about how Franklin D. Roosevelt statues should pose the late president in his new *monument.* He has some suggested poses of his own:

"F.D.R. with his hand stuck *firmly in the taxpayer's pocket.*

"F.D.R. torching the Ninth and Tenth Amendments.

"F.D.R. prolonging the Depression by eight long agonizing years, thanks to his idiot economic notions.

"F.D.R. creating the bank*rupting pyramid scheme* laughingly called Social Security."

Mr. V. identifies himself as "*President of the League to* Tear Down Any D— Monument to D— Politicians."

*New York Times Service*

# At Covent Garden, the Opera Turns Soapy

By Alan Riding
*New York Times Service*

LONDON — Viewed in isolation, Genista McIntosh's resignation as chief executive of the *Royal Opera House at Covent* Garden last week hardly merited much public attention. She was hardly a household name, she had been in the post only four months and she was promptly replaced by an experienced arts administrator, Mary Allen.

Yet in the process of stepping down, McIntosh, 51, won more than her designated few minutes of fame. She said she was leaving because of ill health, but the time is long past when pronouncements by the Royal Opera House were taken at face value. Smelling intrigue and eager to trace a plot, British newspapers insisted she had been ousted and demanded to know why.

The timing of the shake-up could not have been worse. On July 14, the mid-19th-century theater will close for two and a half years for a $350 million expansion and modernization, leaving 280 of its 800 per*manent employees out of work* and its two companies, the Royal Opera and the Royal Ballet, wandering London through December 1999.

Further, *with morale in the house* plummeting, stagehands are threatening to strike this month for the first time since 1991. Failure to settle the dispute over payments during tours would lead to cancellation of many productions, deepening the theater's budget problems. "A strike would threaten the very future of the house," Lord Chadlington, chairman of the Royal Opera House, said in an interview.

But none of this would have caused much stir were it not part of a continuing melodrama that has repeatedly thrust Covent Garden into the headlines over the last four years. Its travails in the 1993-94 season were even captured in a six-part BBC documentary, "The Royal Opera House," now being broadcast in the United States by PBS.

There has always been simmering resentment that taxpayers' money — a $30 million annual grant from the Arts Council of England — is used to subsidize the lyrical amusement of an elite *minority. But this bubbled to the* surface only in 1995 when Covent Garden won a $125 million grant from the profits of a new National Lottery to help pay for its refurbishment.

Suddenly London tabloids began comparing the needs of opera "toffs" and hard-pressed charities, and the Royal Opera House was thrown on the defensive, struggling to justify itself by saying it received less public money than any other opera house in Europe and by promising to lower its seat prices to become more accessible.

The BBC documentary put the Royal Opera House even more in the public eye. Covent Garden was courageous — or foolhardy — in allowing a BBC crew full access to its corridors, offices and stage for a year, and the programs showed management squabbles, power struggles and divas' tiffs in an al*most Victorian setting.*

Still more problems lay ahead. Despite Covent Garden's success in winning money for its redevel*opment (it has also raised about 60* percent of its goal of $160 million in donations), it had the headache of finding somewhere for the Royal Opera and the Royal Ballet to perform for seasons. Whether through misfortune or mismanagement, repeated attempts to find a new home for the companies fell through.

By the time McIntosh took over from Jeremy Isaacs as the house's chief executive on Jan. 1 this year, with construction well under way and barely six months to go before the theater was to be torn apart, the companies had nowhere to go. Lord Gowrie, the chairman of the Arts Council, called the situation a shambles. Isaacs sniped back that the Arts Council's failure to protect public financing of the arts was "not a pretty sight."

But McIntosh was able to present the complex wanderings of the Royal Opera and the Royal Ballet over the next two seasons as a triumph for democracy. The companies will appear in less exclusive districts of London and offer quality culture at reduced prices. "It is a powerful opportunity to challenge preconceptions, extend boundaries and make new friends," she said, announcing the program.

For the 1997-98 season, the Royal Opera will present full opera productions at the Barbican Theatre, the Shaftesbury and Royal Albert Hall and concert versions at Royal Festival Hall, Barbican Hall and again Albert Hall. The Royal Ballet will be more settled in the Labatt's Apollo in Hammersmith and Festival Hall. For the 1998-99 season, most productions should be concentrated in the newly refurbished Sadler's Wells Theatre.

Keith Cooper, Covent Garden's director of corporate affairs, said the house had begun discussing programming after the Royal Opera reopens the house with Verdi's "Falstaff" and the Royal Ballet reopens with "The Nutcracker" Suite. Commenting on future pricing policy, he said, "We were looking at how to reconcile public funding, donations, sponsors, accessibility etc."

Then, out of the blue, McIntosh announced her resignation on May 13. "It was quite a shock," Cooper said, conceding that he had seen no signs that the departing chief executive was unwell.

Soon the rumor mill was working overtime. Many newspapers favored the version that she had fallen out with either Lord Chadlington or Vivien Duffield, the no less powerful chairman of the Royal Opera House Trust, which is responsible for fund-raising. There was also speculation that she had been given the title but not the power to run the house, that she was overwhelmed by the complexity of running two companies and that she wanted to return to her former post as general manager at the Royal National Theatre.

Universal Pictorial Press

**Mary Allen, new chief of the Royal Opera House at Covent Garden.**

Royal Opera officials closed ranks. In a letter to The Times of London, McIntosh said the official statement "tells all there is to tell." Lord Chadlington called McIntosh "an absolutely fabulous" manager and said her departure was a "huge loss" to Covent Garden. Lord Gowrie praised the choice of Allen, until now secretary general of the Arts Council, as the chief executive.

Duffield said she was saddened that McIntosh was unwell and expressed amazement at what she had read of the case in the press.

Despite everything, she said, raising money for the new Covent Garden was going well. "I am raising money on the basis of what is on stage and not of what is written about us, most of which is untrue," she said in a telephone interview.

Indeed, in all the heated political debate about the Royal Opera House, little heed is paid to the fact that ballet and opera productions remain at the highest level, as if this could be taken for granted. For British newspapers, however, it is the soap opera that has been taking place inside the house that continues to provide the most entertainment.

Under a headline reading, "Covent Garden Stages Its Own Plot of Rivalry and Revenge," The Times commented in an editorial that after the house reopened, "there might be a surprise finale if the present cast showed any sign of being able to run a professional opera house as easily as they can arrange a royal gala performance or a fracas in a Crush Bar."

Susan Walsh/The Associated Press

**EN POINTE — Chelsea Clinton at the dedication of a new wing of the Washington School of Ballet.**

## PEOPLE

IT'S going to be a 50th birthday party "fit for a queen." The Sun reported Thursday. The paper said **Prince Charles** has invited 150 guests to an $80,000 banquet on July 17 at Highgrove, his home in *Gloucestershire, to celebrate the an*niversary of his longtime companion **Camilla Parker Bowles.** The bash will be a move toward establishing *public acceptance for Parker Bowles,* who has been treated roughly in the press since Charles admitted their affair, while still married to **Princess Diana,** *in a television interview.*

□

Talk show divas **Oprah Winfrey** and ***Rosie O'Donnell*** were both winners in the 24th annual Daytime Emmy Awards ceremony, and **Susan Lucci** prolonged her already long losing streak. Tears streamed down Rosie's face as she accepted the award for best talk show host, while Oprah didn't even bother to come on stage when "*The Oprah Winfrey* Show" was named outstanding talk show for the fourth consecutive year. It was the 26th Emmy for the show *since it began more than a decade* ago. Lucci was nominated for the 17th time as best actress in a soap opera for her role on "All My Chil*dren.*" *For the 17th time, she lost, to* first-time nominee **Jess Walton** of "The Young and the Restless."

□

The celebrity auction season continues. In Beverly Hills, Sotheby's pulled in $206,892 for the estate of **Ella Fitzgerald,** *including* $74,000 for her 1960 Mercedes-Benz 300D cabriolet and $900 for a set of fake eyelashes. **Charlton Heston's** loin*cloth, from* "*Ben Hur*" *fetched a* measly $1,350, less than one-tenth the estimate, while a pair of **Mr. Ed's** horseshoes made $8,625.... In *London, the two-day auction of fine* wines from the cellar of the composer **Andrew Lloyd Webber** brought a total of £3.69 million ($5.9 *million). Sotheby's said the total ex*ceeded the expected amount of £2.7 million for what it called the greatest single-owner wine collection ever *put on the block. One lot of 30 cases* of Chateau Cheval Blanc and Chateau Mouton Rothschild, both 1982, made £121,000 pounds.

□

**Paul McCartney** says he has a notebook of never-recorded songs *that he composed with* **John Lennon.** "There are probably five or six" songs, the former Beatle said in a statement issued by his New York publicist. "*I wrote them in my* school exercise book. It's got 'Love Me Do' in it and four others that were never recorded."

□

**Roman Polanski** says he will make a stage musical out of his 1967 *film farce* "*The Fearless Vampire* Killers," with the premiere planned for Vienna in October. The show will necessarily have more dialogue than *the film, which gave priority to* frantic action, the director said.

# *Harriman Sale Nets $8.7 Million*

By Carol Vogel
*New York Times Service*

NEW YORK — The two-day sale of the contents of the late Pamela Harriman's homes in Paris, Washington and Middleburg, Virginia, ended with barely a teacup unsold.

The Sotheby's auction, which took six sessions, totaled $8.7 million, well above its high estimate of $5.9 million. Of the 1,111 objects offered, only 28 failed to sell. The results did not compare to the frenzied three-day sale of the estate of Jacqueline Kennedy Onassis, which made $34.5 million. But as celebrity sales go, this was a strong success.

The proceeds from the sale go to Mrs. Harriman's only child, Winston Churchill, grandson of the British prime minister, and his estranged wife, Mary.

Being offered was an assortment of such *items as sofas, coffee tables, side chairs and* china, as well as decorative objects like cigarette cases and candlesticks. There was also some art, although Harriman, who was *ambassador to France at her death in Feb*ruary, had given Christie's her best works to sell two years ago. Those works — a Picasso, a Renoir and a Matisse — brought $18.6 million.

But a major draw in the current sale was historic memorabilia relating to Harriman's one-time father-in-law, Sir Winston Churchill.

"The objects that fetched the greatest multiples were those things that had a wonderful history," Diana Brooks, Sotheby's chief executive, said after the sale. "There was definitely a provenance factor at work."

A few celebrities showed up, and went home with a bit of the mystique.

The singer Aretha Franklin dropped $8,395 Wednesday on three silver cigarette boxes and three contemporary brass-and-lucite occasional tables.

On the first night of the sale, the actress Whoopi Goldberg sat in the third row and bid on a number of items, ending up with a leather-covered figure of a donkey for $1,495 and a set of 12 silver-metal coasters for $2,875. (Prices include the auction house's commission.)

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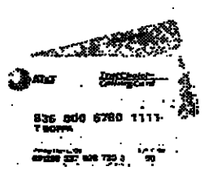

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# The World's Daily Newspaper

# *French Vote Shapes Up As a Choice Of Futures*

...FRANCE, Page 7

# Pilot Accepts A Discharge To Avoid Court

By Elaine Sciolino

MINOT, North Dakota — In a mili... morality play that captured the nation's attention, the country's first female B-52 pilot has agreed to accept the air force's offer of a general discharge rather than face a court-martial for adultery, lying and other charges.

The decision by the pilot, First Lieutenant Kelly Flinn, 26, represents a striking retreat from her stance of only days ago. Lieutenant Flinn had declared that if the air force refused to grant her an honorable discharge, she would face a military jury in a courtroom spectacle that neither side wanted.

If convicted on all charges, she could have been sentenced to 9½ years.

But on Wednesday night, the air force announced Frank Spinner, Lieutenant Flinn's civilian lawyer, that the air force secretary, Sheila Widnall, would not grant an honorable discharge. Mr. Spinner had calculated that the best he could get for his client was as the general discharge. Throughout the night, her parents, her two brothers and Mr. Spinner pressed Lieutenant Flinn until she reluctantly acquiesced.

At a news conference at the Pentagon, Ms. Widnall said Thursday she had decided to grant a general discharge rather...

See PILOT, Page 7

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